PIVOT

CPA CANADA

Named BEST MAGAZINE by the National Magazine Awards: B2B 2021

MARCH/APRIL 2022

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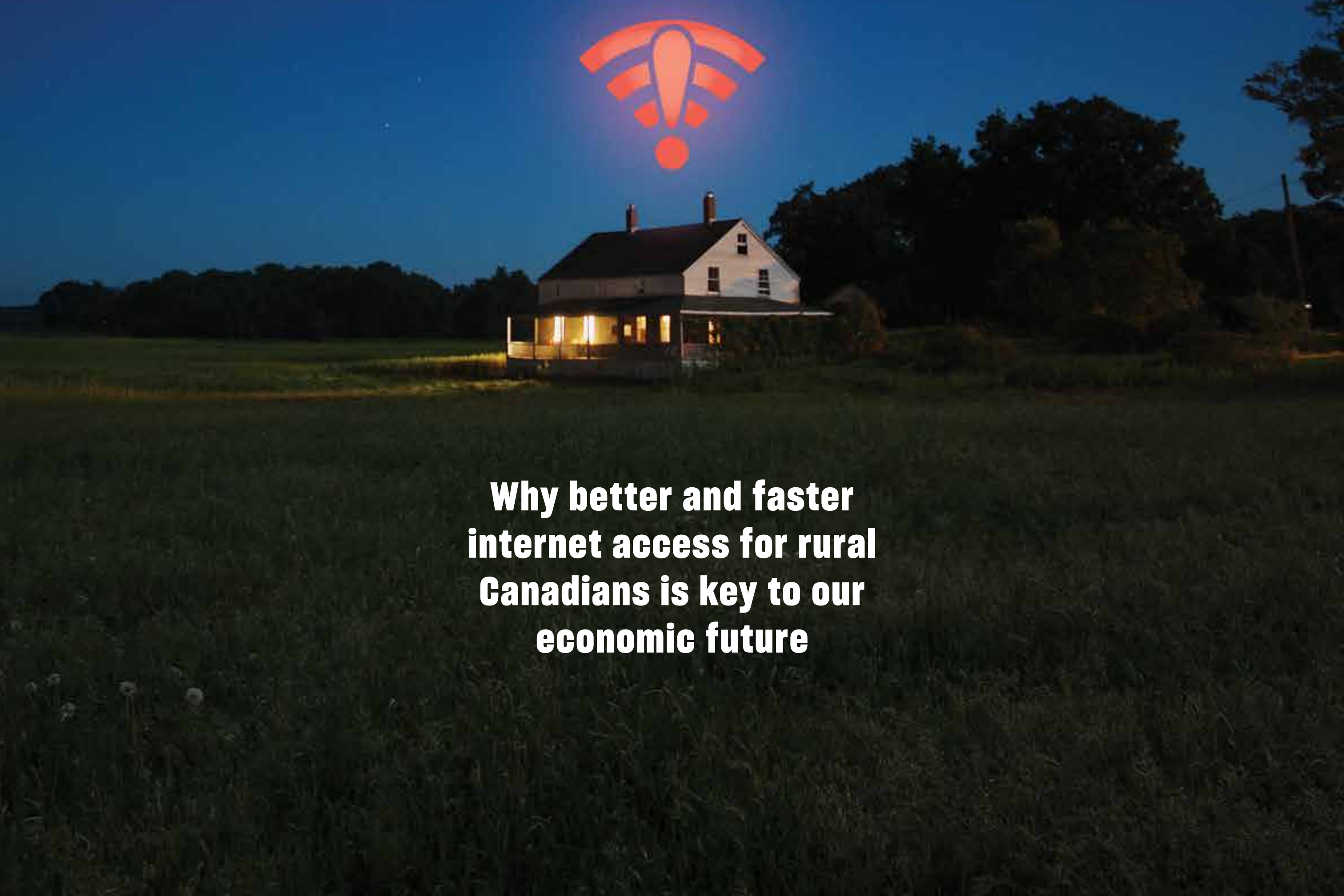

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FEATURES

PHOTOGRAPH BY VANESSA HEINS; ILLUSTRATION BY ISTOCK

ON THE COVER

PHOTOGRAPH BY KEITH POLISCHUK

WHAT DO YOU THINK?

Send your letter to the editor to pivot.letters@cpacanada.ca. If your letter is chosen for publication, it may be edited for length and clarity.

THANK YOU AND AU REVOIR . . .

After two years of hard-fought wins in trying times, a changing of the guard is coming for CPA Canada **BY CHARLES-ANTOINE ST-JEAN**

PHOTOGRAPH BY LINDSEY GIBEAU, WESTBORO STUDIO

Bonjour à tous!

At the end of our fiscal year on March 31, I will be stepping down after almost two years as President and CEO of CPA Canada. As I reflect on this time, I am proud of the many accomplishments our organization and the Canadian CPA profession have achieved in the face of immediate and significant challenges stemming from COVID-19.

During this period of unparalleled economic and societal uncertainty, CPA Canada stepped up to offer unwavering support to CPAs and other stakeholders. We helped Canadian CPAs, businesses and the public assess the economic repercussions of COVID-19 and, in doing so, became a valuable go-to resource for pandemic-related guidance, timely information and clarity on pressing tax questions. And, through it all, we delivered trusted resources, innovative thought leadership papers and award-winning publications, as well as national exams, informative conferences and webinars.

With the unified Canadian accounting profession about to enter its second decade, it is essential that it guards against becoming too self-centred and recognizes the value in maintaining ongoing relationships with other organizations for a common good.

Today, the challenges facing our profession are increasingly complex and global in nature. Our organization works closely with likeminded networks, such as the Global Accounting Alliance (GAA) and the International Federation of Accountants among others, to create tangible value that brings local and global economic and social benefits.

NOW IS THE TIME FOR THE CURRENT AND FUTURE GENERATION OF CANADIAN CPA LEADERS TO TAKE CENTRE-STAGE. THEY MUST BE BOLD AND SHAPE THE FUTURE.

To this end, I am particularly proud of CPA Canada's work in conjunction with others to advance sustainability practices.

CPA Canada is one of 13 accounting bodies internationally publicly committing to achieving net-zero greenhouse gas (GHG) emissions within their own organizations, as well as providing an enabling environment for professional accountants to do the same. The pledge comes from members of The Prince of Wales's Accounting for Sustainability Project (A4S) Accounting Bodies Network. Our support for the protection and restoration of nature comes through the GAA signing a global Call to Action, 'Nature is Everyone's Business'.

And, of course, a collaborative approach spearheaded by CPA Canada contributed greatly to a key office for the International Sustainability Standards Board (ISSB) being established in Montreal. The inception of the ISSB by the IFRS Foundation represents a sea change in the standards-setting community and cements Canada as an integral player in fostering a common and consistent sustainability reporting ecosystem.

LOOKING FORWARD

With a long history of championing good, ethical and responsible business, the CPA profession is well-suited to leverage innovative thinking and critical skills to help root Canada's recovery in sustainable, responsible and sound economic and social development.

This is only the start of a meaningful journey for our country and the profession. We are committed to being part of the solution in the fight against money laundering and other destructive financial crimes by working with governments and various bodies to combat these illegal activities.

As Canada continues its transition to a new post-pandemic reality, we must also work collectively to foster an inclusive recovery. The CPA profession plays an active role by helping Canadians gain access to the information required to improve their financial security. Financial literacy is essential not only for the well-being of individuals, but also for the economy.

Change today is rapid and relentless. We face a challenging global landscape where health concerns, climate change, business, innovation, culture, politics, and emerging technologies consistently intersect. The profession's new evergreen Competency Map will be a key contributor to ensure it remains agile and fit for the future, but more will be required.

PROFESSION WELL-POSITIONED FOR SUCCESS

I am grateful in having been given the opportunity to contribute to the advancement of the "mythical yardstick" during my time with the organization. However, there is a time for everything in life. The baton must be passed on.

So, as professions worldwide, not just accounting, struggle to maintain relevance in the face of disruption, now is the time for the current and future generation of Canadian CPA leaders to take centre-stage. They must be bold and shape the future, one that involves a stronger profession effectively positioned to address the economic and ESG challenges and opportunities of tomorrow.

My roles at CPA Canada over the last five years, first as Chair of Public Sector Accounting Board, which CPA Canada is proud to financially support, and more recently as CEO of CPA Canada, have strengthened my appreciation for the work done by volunteers, members, employees and the Board of Directors of CPA Canada in support of the public interest. Thank you for the privilege of being one of you.

I also want to thank the provincial, territorial and Bermudian bodies for their ongoing commitment to the profession. Lastly, I want to share a heartfelt thank you to my profession for the wonderful experiences it has provided me over the years. The profession has been my lucky charm!

I am proud of what CPA Canada has accomplished and remain optimistic about both its future and that of the profession.

Au revoir! ◆

SKIP

PIVOT

VOLUME 5 | ISSUE 2

WINNER 6 Gold and 2 Silver medals, including Best Magazine, at the National Magazine Awards: B2B 2021

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Additional annual subscriptions are available at the following rates: members, $32; students, $45; non-members, $55. Single copy, $5.50. Outside Canada: $89 for a one-year subscription; $8.90 for a single copy. GST of 5% applies to all domestic subscriptions. For subscription inquiries, call (416) 977-0748 or 1-800-268-3793 from 9 a.m. to 5 p.m., Monday through Friday; fax: (416) 204-3416. GST registration number 83173 3647 RT0001. Publications Mail Agreement No. 40062437. Printed in Canada. ISSN 2561-6773. Return undeliverable Canadian addresses to the Toronto address above.
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FIRST IN

PICTURE THIS

DOWN FOR THE CAUSE

Animal-free winter-wear manufacturer Wuxly Movement shifted to producing PPE during the pandemic but found a way to maintain its focus on sustainability

BY ROB CSERNYIK

When the Canadian Apparel Federation put out a call to members at the onset of the COVID-19 pandemic asking who could help make personal protective equipment (PPE) amid a shortage, James Yurichuk was among those who answered the call.

The founder and CEO of the Canadian vegan and sustainable outerwear brand Wuxly Movement has taken his apparel company down the "rabbit hole," as he puts it, during the pandemic. On the other side, the company found itself with a federal contract to manufacture more than one million reusable medical gowns. "We were essentially opening a new business division," says Yurichuk, who takes particular pride in his business's ability to adapt on the fly.

James Yurichuk (left) and
VP of finance Adam Douglas
pose in front of Wuxly's
downtown Toronto storefront

PHOTOGRAPH BY **CLAUDINE BALTAZAR**

When the pandemic hit, Wuxly turned its attention from animal-free outerwear to manufacturing PPE

Yurichuk, who began Wuxly before the final season of an eight-year career playing in the Canadian Football League, originally launched the company via Kickstarter in 2015.

The company, which has grown into a 50-employee operation with a manufacturing facility in Toronto and partner facilities in Montreal and Winnipeg, has made a name for itself thanks to its signature line of stylish, fur- and feather-free winter outerwear. In 2021, Wuxly, which sells its products through its website and brick-and-mortar retail partners—a deal with national chain Sport Chek alone increased Wuxly's wholesale deliveries by 600 per cent—was nominated for the Tricon Sustainability Award at the Canadian Arts & Fashion Awards.

THE COMPANY HAD TO PAY EXTRA ATTENTION TO ACTIVITY COSTS AND CASH FLOW AS ITS FORAY INTO PPE GOT OFF THE GROUND

Yurichuk views sustainability as a journey, not a destination. "There might be 40 different components in one of our jackets," he says. "There's always an opportunity to improve our processes."

Wuxly maintained its commitment to Canadian-made eco-friendly materials as the company shifted its focus to PPE, using whatever sustainably sourced fabrics it could get its hands on, including materials normally used for jacket shells.

Adam Douglas, a CPA and Wuxly's vice president of finance and operations, says the company had to pay extra attention to detailed activity costs

PHOTOGRAPHS BY CLAUDINE BALTAZAR

and cash flow as its new foray into PPE got off the ground. "You could plan a bit more for regular business productions because you've been doing it for so long," he says.

There was no blueprint for Wuxly's pivot, but Douglas notes that the company's experience planning and budgeting for sustainability-related costs into clothing manufacturing—expensive components and cost-per-use evaluations—allowed it to scale up in a pinch to produce the reusable gowns, which have been used by health care workers across Canada. Wuxly was ultimately rewarded with additional contract work after producing its first batches of PPE both on time and on budget.

Next on Wuxly's radar: incorporating bio-based products that naturally biodegrade at the end of the product's life cycle. Making sustainable clothing that lasts a lifetime is important to Yurichuk. As he puts it: "Longevity is a form of sustainability, too." ◆

PHOTOGRAPHS: DAHL, JACKSON, COBAIN, MERCURY BY **GETTY**; PEANUTS BY **ALAMY**; HEADSTONE BY **ISTOCK**

POSTHUMOUS PROFITS

Even long after they are dead, celebrities—and their estates—continue to generate income from recording rights, licensing deals and sales of memorabilia. Prince (d. 2016) earned $120 million* last year, for example, while children's author Dr. Seuss (d. 1991) pulled in an estimated $35 million. Some celeb's estates are so lucrative that they've earned more dead than alive. **BY STEVE BREARTON**

$686 MILLION

In 2021, Netflix and Roald Dahl's (d. 1990) family reached a deal worth an estimated $686 million for the rights to the author's entire catalogue, including *Charlie and the Chocolate Factory* and *James and the Giant Peach*. The deal made Dahl 2021's highest-paid dead celebrity. Netflix will earn royalties from existing content and own the rights to create more.

$40 MILLION

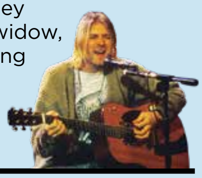
In 2020, Apple TV+ secured a deal giving it exclusive rights to the Peanuts catalogue, earning a reported $47 million for creator Charles Schulz (d. 2000) and his family last year alone. Widow Jean Schulz told *Variety*, "We are so happy…because they were one of the only places we talked to who [would] do new material under the guidance [of] our creative arm."

$287.5 MILLION

In 2018, pop star Michael Jackson's (d. 2009) estate sold his remaining interest in EMI Music Publishing for $287.5 million to Sony Corp. In 2020, it was estimated Jackson's heirs earned $48 million from his holdings.

$6.1 MILLION

The 1959 Martin D-18E acoustic guitar played by Kurt Cobain (d. 1994) during Nirvana's "MTV Unplugged in New York" concert became the most expensive guitar sold at auction in 2020 when bidding ended at $6.1 million. In 2006, Courtney Love, Cobain's widow, sold his publishing rights for an estimated $50 million.



$60 MILLION

Following the 2018 release of Queen biopic *Bohemian Rhapsody*, the estate of lead singer Freddie Mercury (d. 1991)—controlled by his former fiancée Mary Austin—earned a reported $60 million.

*ALL FIGURES USD

THE ECONOMIST

ARE CANADIANS BUYING TOO MANY HOMES?

The nation's wealth is heavily concentrated in residential real estate, which may not bode well for our economy

DAVID-ALEXANDRE BRASSARD

Housing market growth has peaked since the beginning of the pandemic; for several months in 2021, prices were up by more than 20 per cent over the previous year. Nationally, the market has not declined since the last recession, consolidating the assets and debt of Canadians in their primary residence. Household debt relative to the size of the economy has doubled over the past 30 years and is comparable to levels in the United States in the lead-up to the 2008 recession. In contrast, household debt in the U.S. has been declining since its 2008 peak. Canada's level of household debt, meanwhile, is among the highest in the world and our share of investment spent on housing is greater than that of any other industrialized OECD country.

667K
homes changed hands in 2021, 30 per cent above the 10-year average

An inflated housing market is affecting Canadians' access to home ownership and is raising many concerns about the impact that a possible devaluation of properties could have on the economy and on households. That said, even if prices were to stabilize at their current levels, is it wise to concentrate so much money in this one sector?

While it can be difficult to quantify, the systemic impact of this concentration of national wealth can be intuitively understood. The more expensive houses are, the more first-time buyers have to save to become homeowners, before then devoting a significant portion of their income to mortgage payments. In this context, it is also difficult to save and invest elsewhere, unless they buy another property with the equity in their home or use a home equity line of credit. We also need to consider that the amounts invested will gradually be locked in as the loan is repaid. This is more money that is no longer circulating in the economy, while the population—and an aging one at that—is paying off loans on high-value homes. This situation can be problematic.

While I am not calling into question property ownership, I do wonder if we should be directing more of our wealth toward recognized economic pillars, such as the primary or manufacturing sectors, whose economic impacts percolate into other areas, or focusing on the high value-added

ILLUSTRATION BY **KAGAN MCLEOD**; PHOTOGRAPH BY **GETTY**

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services that will make up the economy of tomorrow. Canada is in dire need of investment if it is to address productivity issues in these sectors.

It would be a mistake to think that a rise in interest rates will magically correct the situation, since the Bank of Canada's room to manoeuvre remains limited given the level of household debt. Cities and governments will have to continue to intervene on the supply side (via zoning, permits, development fees, etc.) and avoid introducing new incentives for property purchases that ultimately contribute to the real estate frenzy.

Taxing foreign buyers who purchase homes in Canada, regardless of whether they occupy them or not, is an attractive and increasingly popular measure, but it is not enough to calm the markets since they represent at most five per cent of homeowners in Toronto and Vancouver.

TAXING FOREIGN BUYERS IS NOT ENOUGH TO CALM THE MARKETS

Increasing the supply of housing is considered a silver bullet. However, it is not clear that there is a systematic shortage of supply in all Canadian cities and for all types of housing (houses, condominiums, apartments, etc.). In this context, we need to promote a better match between new developments and the needs of the housing market. In short, we need to "build better," taking into account housing needs, rather than simply "build more," especially given the inflationary pressures in the construction sector.

Lastly, we cannot ignore the frustration and helplessness of prospective first-time buyers who see their dream of home ownership slipping away, and, even more critically, of those who are unable to simply cover their housing costs. It is the combination of expensive properties and a lack of rental supply that is fuelling housing issues. The very low vacancy rates in many Canadian cities clearly demonstrate the need for rental housing. If rental units are to occupy a larger share of new developments, we will have to ensure that the needs of tenants, both for small and large units, are met. Furthermore, how can we hope to address the shortage of low-skilled workers in Canadian cities with immigration if we cannot even provide adequate housing for newcomers and their families? ◆

David-Alexandre Brassard is chief economist at CPA Canada.

SHAM, WOW

A catalogue of recent cons

BY DAVE ZARUM

99.99%

The drop in value in 10 minutes for a digital crypto token called Squid Game, which took its moniker from the popular South Korean-made Netflix show. In late 2021, Squid Game shot up from one cent per token to more than $2,856 in the span of less than a week—only to come crashing down much faster.

As the token's value first rose, investors began to complain that they weren't able to sell the coin. In an apparent scam known as a "rug pull," the promoters of the cryptocurrency—which was traded on unregulated, decentralized cryptocurrency exchanges that connect buyers directly with sellers—yanked the coin from the exchanges and the liquidity pool disappeared instantly. The purported scammers made off with an estimated US$3.38 million in the process.

"It is one of many schemes by which naive retail investors are drawn in and exploited by malevolent crypto promoters," Cornell University economist Eswar Prasad said in a BBC report.

$30/HOUR

The wage a 22-year-old Ontario woman was promised when she accepted a supposed data-entry job from a fake website claiming to represent Vancouver-based women's clothing chain Aritzia. She was mailed a fake cheque for $3,485 and told to deposit it into her bank account and e-transfer the funds to an office supply company to purchase equipment. Unsuspecting, she followed the instructions and sent the e-transfer. Two days later the cheque bounced, but her account had already been debited. The Canadian Anti-Fraud Centre reports that more than 1,400 victims in Canada lost over $8 million in job-related scams in 2021—nearly double the previous year.

"SAFEGUARD MACHINES"

What a scammer posing as a Canadian Border Services Agency (CBSA) officer directed a victim to use in order to safely transfer her life savings as part of an elaborate con.

The victim first received a call from a supposed CBSA agent, informing the woman that her bank account would be seized due to suspicious activity under her name.

The scammer continued correspondence via email, and the woman was told that in order to protect her assets, she would need to transfer $30,000 to another, more secure account using "safeguard machines," which police later determined were, in fact, Bitcoin machines.

It wasn't until the victim received a call from somebody posing as an officer named Sgt. Marshall of the Kingston, Ont., police department, who reprimanded her for asking too many questions, that she became suspicious. The caller ID and phone number both matched the real Kingston police offices—a technique called "spoofing"—but the bizarre conversation finally prompted her to contact the real police.

PHOTOGRAPHS: *SQUID GAME* BY **ALAMY**; LAPTOP BY **ISTOCK**

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BY THE NUMBERS

CARBON MARKET WATCH

Globally, some 40 nations and more than 20 states, provinces and cities have adopted carbon-pricing plans designed to reduce greenhouse gas emissions contributing to global warming. Leaders at the United Nations Climate Change Conference (COP26) in November 2021 agreed to accelerate that process by creating an international carbon-trading market for states and private companies. "Just as globally we've agreed to a minimum corporate tax, we must work together to ensure it's no longer free to pollute anywhere around the world," Canadian Prime Minister Justin Trudeau stated at COP26. "That means establishing a shared minimum standard for pricing pollution." Analysts suggest global carbon pricing—first launched in a significant manner by the EU in 2005—could dramatically cut emissions and pay its way. Advocates say that by pricing carbon, individuals, companies and governments are incentivized to cut emissions and move to cleaner energy. —*Steve Brearton*

Limiting warming →

Nations need to reduce carbon emissions by an average of **12.9%** each year to limit warming to the **1.5° C** level necessary to significantly reduce the risks and impacts of climate change. But right now, countries are falling far short. Here is the average annual change in carbon emission rate for select jurisdictions:

-

-6.5%

UNITED KINGDOM

-

-7.2%

UNITED STATES

-

-12.4%

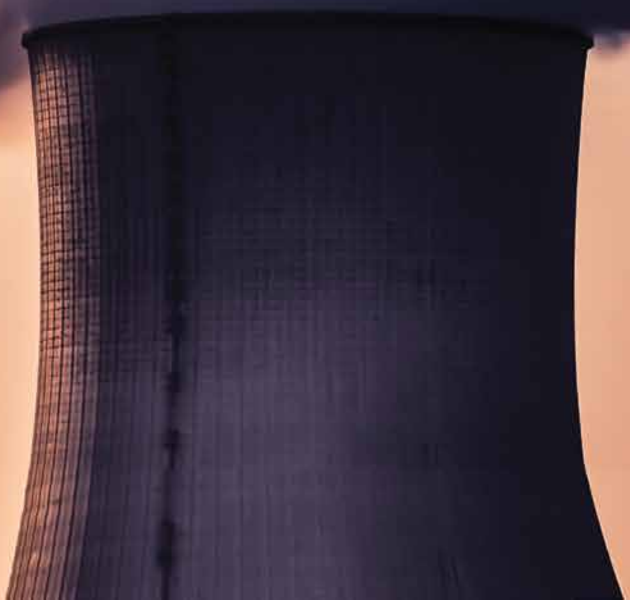
MEXICO

12.3% Projected decrease in global greenhouse gas emissions using an international carbon-pricing floor compared to business as usual.

13% Percentage of carbon revenues generated from high-income economies needed to compensate low-income economies for lost GDP.

Projected percentage change in value added under a carbon pricing scheme, select industries:

Coal mining	Gas	Oil
-15.05%	-6.24%	-3.77%
Agriculture	**Air transport**	**Electricity**
-0.19%	0.20%	2.27%



PHOTOGRAPH BY THOMAS MILLOT

- -4.4% CANADA
- -1.9% BRAZIL
- +1.6% INDIA
- -1.0% CHINA
- -2.5% GLOBAL
- -5.7% GERMANY

PRICING CANADA'S CARBON

Beginning in 2019, federal legislation required all Canadian provinces and territories to have carbon-pricing schemes. Provinces could create their own schemes or default to initial federal standards of $40 per tonne of CO_2 and, in 2022, $50 per tonne. Some jurisdictions have a mix of local and federal systems.

Provincial/territorial system applies in:

- British Columbia
- Quebec
- Nova Scotia
- New Brunswick
- Newfoundland and Labrador
- Northwest Territories

Federal benchmark applies in part in:

- Alberta
- Saskatchewan
- Prince Edward Island

Federal benchmark applies in full in:

- Manitoba
- Ontario
- Yukon
- Nunavut

Federal price of carbon in Canada, per tonne CO_2

2019	2022	2025	2030
$20	$50	$95	$170

CANADIAN CARBON PRICING REVENUE

(Estimated available net revenue by province)

Province	Revenue
British Columbia	$1.86 BILLION
Quebec	$897 MILLION
Alberta	$2.29 BILLION
New Brunswick	$151 MILLION
Saskatchewan	$543 MILLION
Nova Scotia	$268 MILLION
Manitoba	$211 MILLION
P.E.I.	$24 MILLION
Ontario	$2.12 BILLION
Nfld. & Labrador	$82 MILLION

TOTAL: $8.43 BILLION

SOURCES: WORLD ECONOMIC FORUM, INTERNATIONAL CARBON ACTION PARTNERSHIP, PwC, GOVERNMENT OF CANADA

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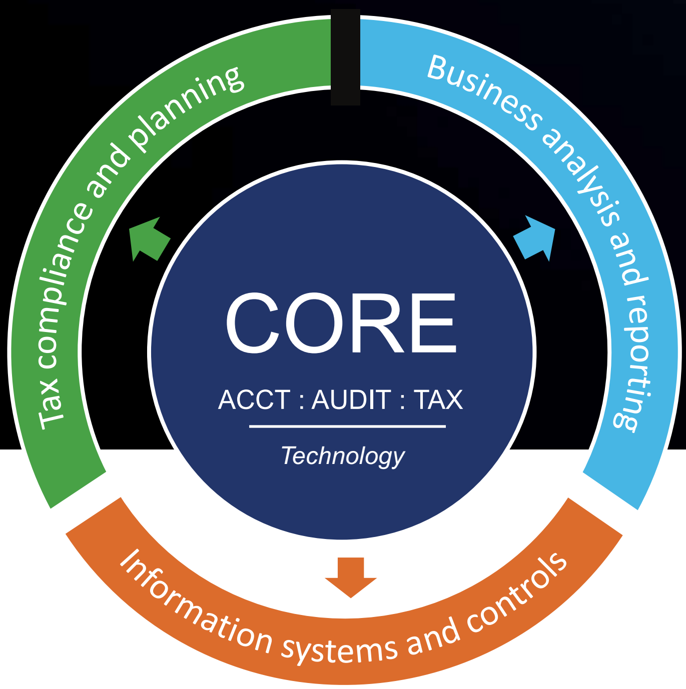

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CORE diagram courtesy of NASBA

As part of the CPA Evolution initiative major changes are coming to the United States CPA curriculum and exam structure effective January 1st, 2024. We anticipate corresponding changes to the International Qualification Exam (IQEX) that you, as a Canadian CPA, may be eligible to sit, as a pathway to becoming a US CPA, under the 2017 Mutual Recognition Agreement (MRA).

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STICKER SHOCK

Sky-high prices, low mortgage rates and a supply that hasn't come close to meeting demand—Canada's housing market is breaking records at an alarming rate across the country. Now what?

Considering co-ownership? Learn more about the trend at **cpacanada.ca/mortgage**

BY CASSANDRA DRUDI

Who could've predicted it would take a global pandemic to push the Canadian housing market into overdrive? After setting sales records across the country in 2020, 2021 saw those records toppled once more and demand remains at a fever pitch, continuing to outstrip the supply of available properties and driving prices up. Throw in inflationary pressures and, according to the government's December fiscal update, it will take "years" before the market can correct itself and return to normal, pre-pandemic conditions. With each passing month, Canada's red-hot housing market continues to burn with no real signs of slowing down.

PHOTOGRAPH BY GETTY

Over the first 10 months of 2021 alone, more than 580,000 homes were bought and sold, surpassing the amount from the entire previous year, when a record 552,423 homes changed hands. Overall, the national MLS Home Price Index finished the year up a record 25.3 per cent from 2020.

Home prices in Toronto reached a new record for the month of November—up 28.3 per cent from November 2020. As the number of new listings declined some—by double-digits in the condominium market—the average sale price hit an all-time high of $1.163 million, up 21.7 per cent from the previous year (the national average rose 19.6 per cent to $720,854). In Vancouver, meanwhile, sales rose 11.9 per cent while between September and October, sales jumped 8.6 per cent, marking the greatest single month-over-month increase since July 2020.

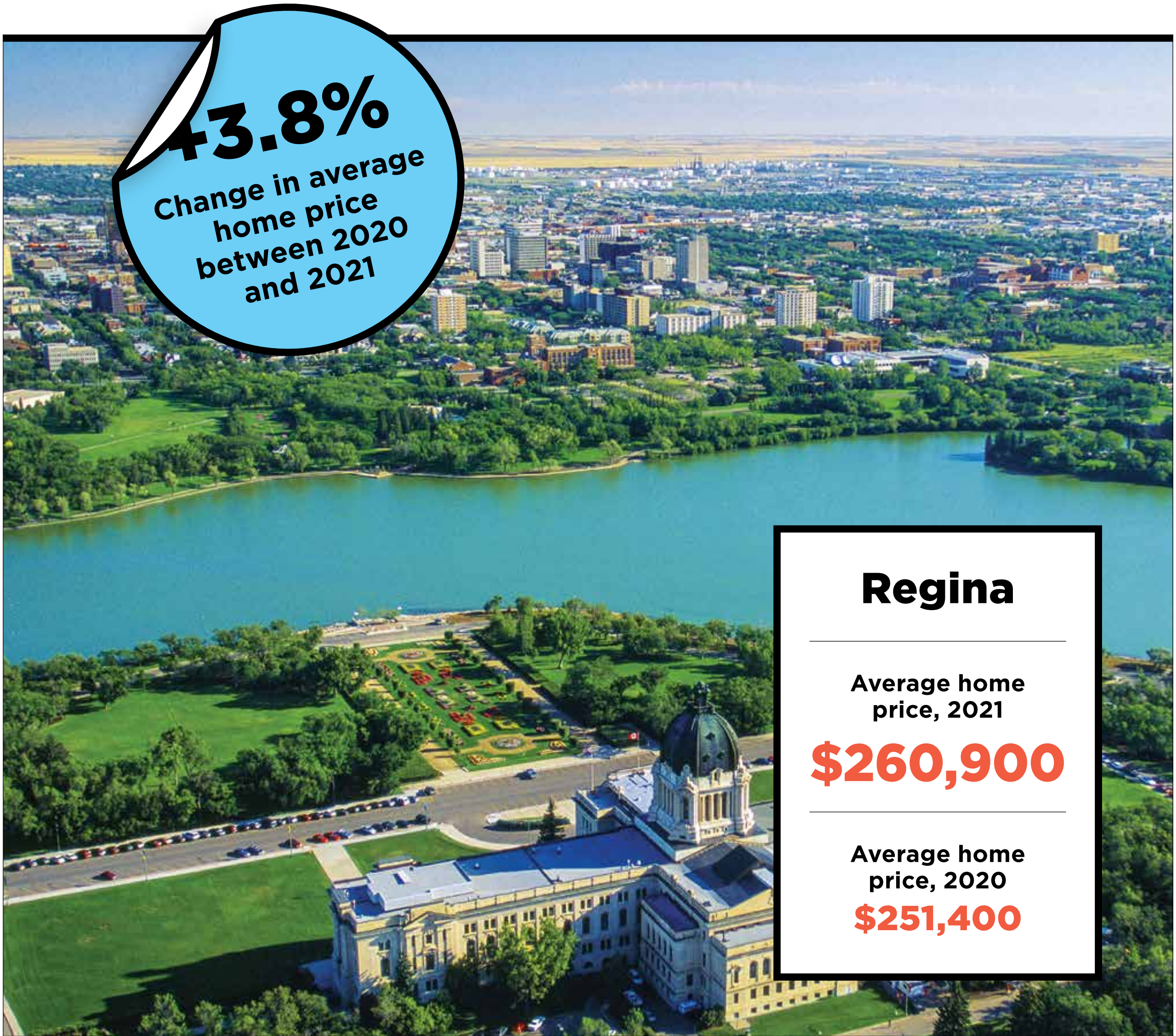
Market watchers agree that the market, fuelled by historically low interest rates and a lessening housing supply, shows no signs of significantly slowing down.

"I think nationally prices will continue to increase, at least in the short term," says Martin Joyce, partner and national human and social services leader at KPMG. Although Joyce expects rising prices to include variability across markets in different provinces, the combination of low interest rates, strong inter-provincial migration and reduced supply on the market are likely to keep prices high for the foreseeable future.

At its January 2022 monetary policy review, the Bank of Canada maintained its overnight rate at 0.25 per cent—where it has been since the beginning of the pandemic—but signalled that it is likely to raise the rate at its next announcement on March 2.

With an overnight rate hike those considering entering the housing market may act with more haste if they had planned to get in before mortgage rates creep up, says

PHOTOGRAPH BY ISTOCK



PHOTOGRAPH BY DREAMSTIME

Benjamin Tal, deputy chief economist of CIBC Capital Markets.

"If you were planning to buy a house over the next year or so, maybe you want to accelerate and take advantage of extremely low interest rates now. That's natural behaviour that we see every time interest rates start rising," Tal says, "and then it slows down. If history is any guide, the next few months will be relatively elevated in terms of activity and then will start slowing down into the second half of 2022."

Predicting the housing market over the course of the pandemic hasn't been easy, as it hasn't always behaved as people expected it to.

"Initially, we didn't think that there would be the housing boom that we've seen, because you see people being laid off, companies getting shut down—you wouldn't expect that people would be out buying houses," says Julie Manna, a Calgary-based mortgage agent and CPA. "It did kind of catch us off guard in 2020 but, through 2021 we were expecting the ball to keep rolling. This past year was definitely an anomaly and a really busy year."

The housing boom has also seen a jump in people looking to capitalize on low rates and refinance homes they own

For Manna, the housing boom hasn't only brought more buyers into the market, but has also seen an increase in the number of people looking to capitalize on low interest rates and refinance homes they already own in order to take on work-from-home-friendly renovation projects. She adds that the past year has been unique for the frequency with which she is applying for rate holds (when a lender locks in a quoted interest rate) on mortgage pre-approvals.

Manna says that, typically, she and her colleagues wouldn't

PHOTOGRAPH BY GETTY

submit for rate holds on pre-approved mortgages. But, as the five-year fixed rates became more volatile near the close of 2021 (lowest advertised rates for five-year variable mortgages dropped to 0.85 per cent from 1.34 in a three-day span in November), she had been submitting almost every pre-approval for a rate hold, which usually run from 90 to 120 days for most lenders.

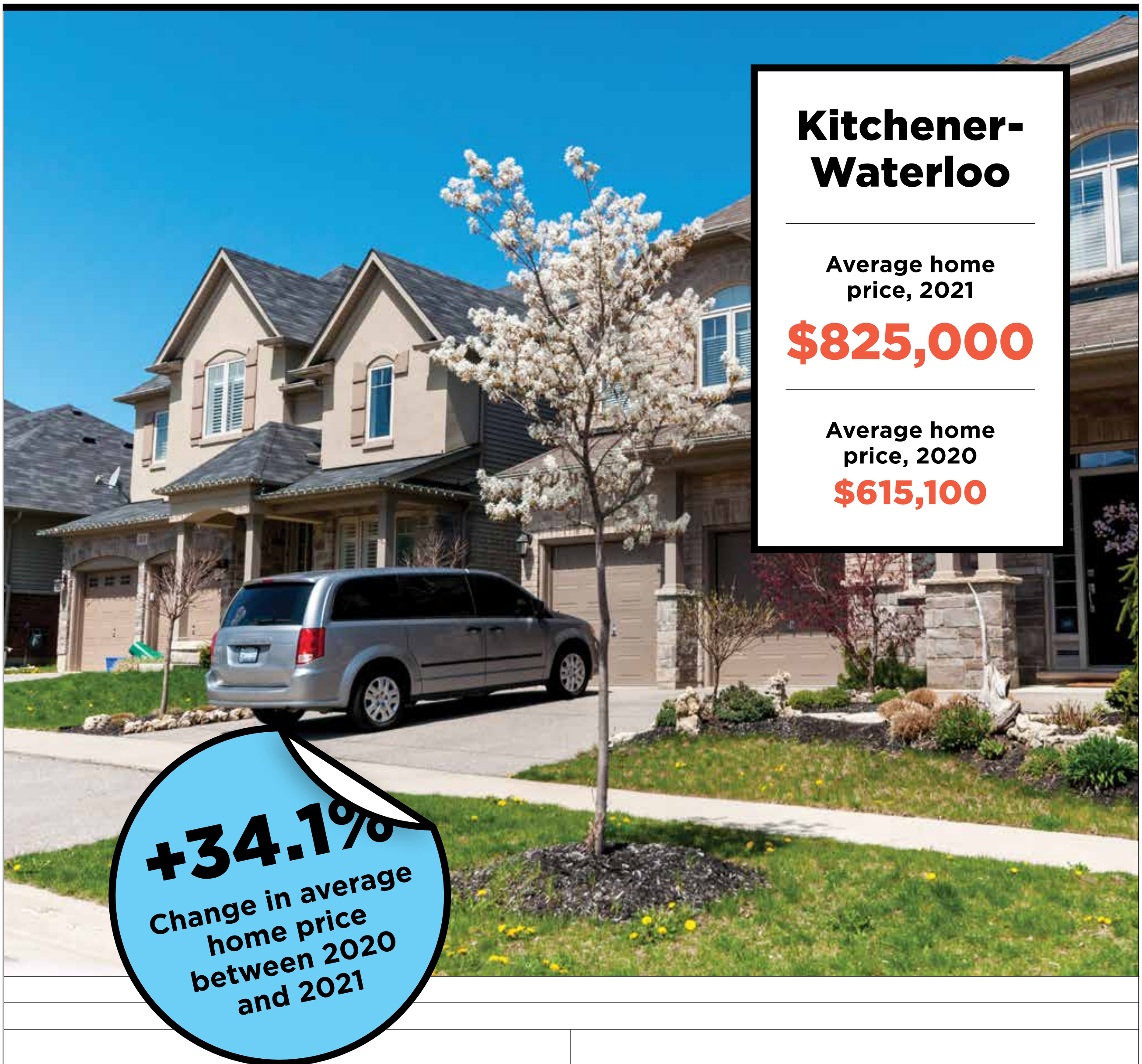
"We were doing a lot more rate holds," she says, "and lots of panicked rate holds. Everybody was working until 10 o'clock at night."

Tal attributes the strong pandemic housing market to the uneven economic impacts of the early shutdowns: lower-income Canadians, who tend to rent and are often younger, were the ones more likely to lose their jobs in the first extended lockdown, whereas higher-income workers were able to continue working virtually. Another factor contributing to the housing boom is demographics. According to a report from the Centre for Urban Research and Land Development, as of 2016 more than 700,000 millennials in Ontario's Golden Horseshoe area alone were still living at home and likely to be aging into the market.

"We've been underestimating the impact of millennials entering the home-buying age"

"I think we've been underestimating the impact of millennials entering home-buying age," says Diana Petramala, senior economist at Ryerson University's Centre for Urban Research and Land Development. "Millennials were holding less real estate but more cash in 2019 than generations before them. The ones that could afford to have clearly been saving for that down payment."

Another factor is the presence of foreign buyers and



large international real estate trusts in Canada's housing market, for which Prime Minister Trudeau proposed a temporary ban in a December letter to Housing Minister Ahmad Hussen—in addition to other possible solutions like bringing an end to blind bidding.

As Hussen explained to reporters: "The point is to reduce the speculative demand in the market and help cool these astronomical increases in prices."

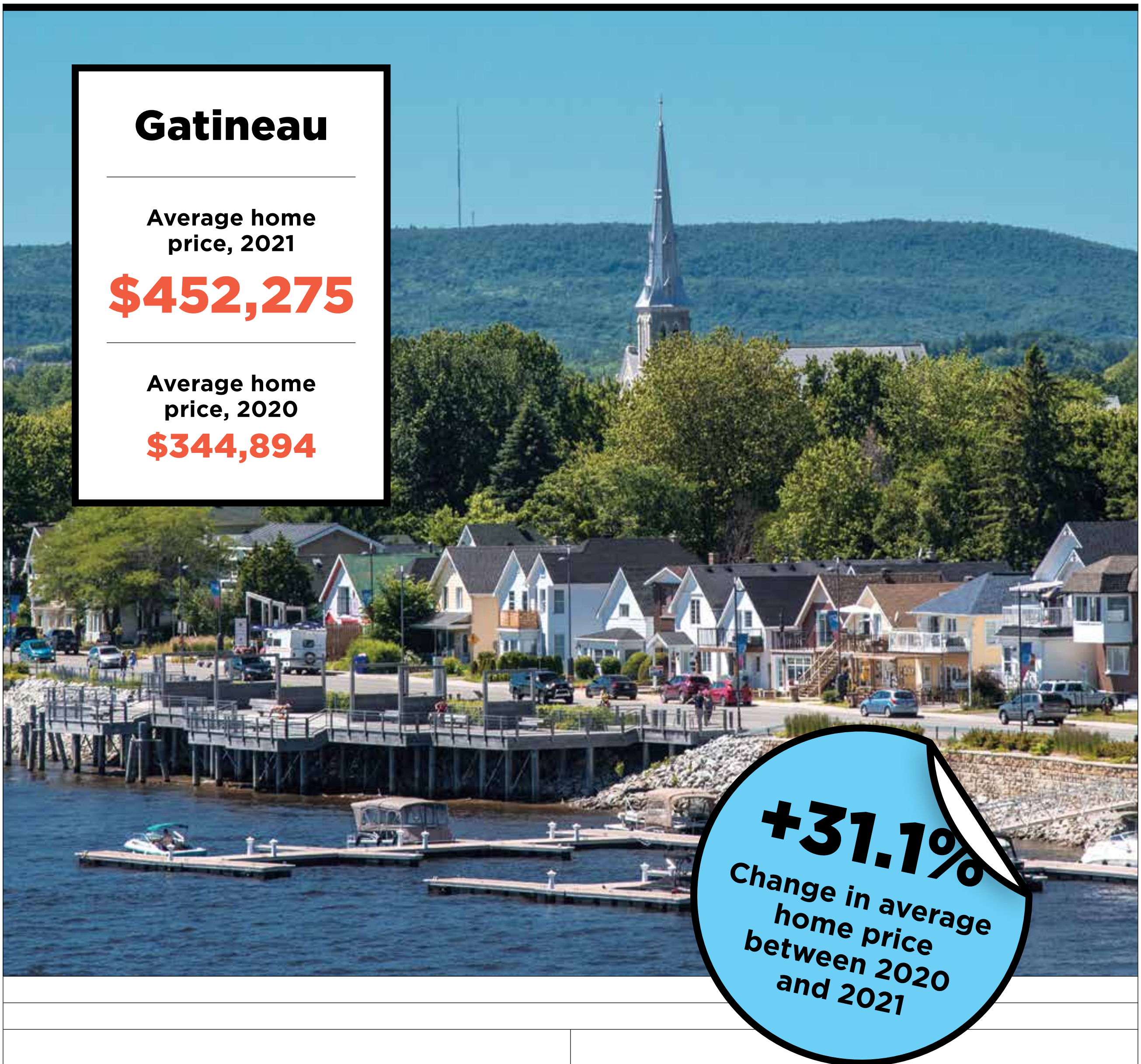
Although a hot housing market can be good for sellers, it's less helpful for the wider national economy. First-time homebuyers looking to live in Canada's biggest markets, like Vancouver or Toronto, may find themselves pushed out to smaller regional areas by record high prices; a decision that affects where they spend their money and which can affect employment when people return to the office.

Tal believes that a market slowdown, encouraged by slow and steady rate hikes from the Bank of Canada, would allow the market to adjust without derailing.

"The acceleration and activity that we saw in 2021 is not very healthy from a long-term perspective," he says. "I don't think the housing market should be a major contributor to economic growth."

At its January monetary policy review, the Bank of Canada removed its "exceptional forward guidance." Now that the economy has recovered from the initial shocks of COVID-19, the Bank's main priority going forward is raising borrowing costs to get inflation under control. "Everybody should expect interest rates to be on a rising path," Bank of Canada Governor Tiff Macklem told reporters. "A path is not one move. A path is a number of steps." In December, the Bank's 74-page Monetary Policy Framework Renewal report noted that "a prolonged period of low interest rates could contribute to a buildup of financial vulnerabilities."

PHOTOGRAPH BY DREAMSTIME



Jason Armstrong, a London, Ontario-based mortgage broker and CPA, has noticed an increase in the number of clients who require a co-signer to qualify for their desired mortgage and worries that people who have stretched themselves to enter the market while rates are low may be surprised at their lack of spending money once COVID-19 restrictions eventually ease up over time.

"Before, when you had a smaller house or you were renting, you had disposable income available to spend on travel and fun, frivolous things," Armstrong says. "When that opens back up, it's just a matter of time before they realize they're worse off than they thought."

The meteoric rise in prices has driven home ownership out of reach for many. The housing affordability crisis was a major issue in the fall election, with the Liberals pledging to invest nearly $20 billion in social infrastructure, prioritizing investment in affordable housing over the next 10 years. In 2022, a one per cent national tax on vacant homes owned by non-resident, non-Canadians is slated to take effect. Vancouver enacted its own vacant homes tax in 2017, which has since raised $86.6 million to support "a variety of affordable housing initiatives," according to the city's 2020 Empty Homes Tax Annual Report and has been accompanied by a 26 per cent drop in the number of vacant properties.

KPMG's Joyce points to a recently adopted inclusionary zoning policy in Toronto that will require new residential developments to include a certain percentage of affordable housing units as "one of many solutions" to the issue.

"The further you go down this path of increasing house prices, the more radical the solutions will have to be," he says. "Whether they get put forward or not, that's a different story."

Programs like the First-Time Home Buyer Incentive, which offers qualifying first-time buyers five to ten per cent of the cost of a home's purchase price if the total

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Greater Vancouver

Average home price, 2021
$1,211,200

Average home price, 2020
$1,044,400

amount borrowed is no more than four times the amount of a buyer's qualifying income (or 4.5 times if the home being purchased is in Toronto, Vancouver or Victoria), seems out of step with the reality in local markets. Manna, for one, says she doesn't see the program being used as much as it could be.

> "You are 35 years old, you are married, you have two kids and you are renting? Nothing is wrong with you."

"The cost of housing has increased so much that the program just doesn't make sense for a lot of people," she says. More helpful, from her perspective, would be extending the amortization periods on CMHC-insured mortgages to 30 years, which would allow first-time buyers to enter the market a little more easily.

The 10-year, $72-billion National Housing Strategy is a good start at increasing affordability, but Ryerson's Petramala says "it's very small compared to the size of the problem" and could stand to be bolstered significantly.

Ultimately, the simplest solution could be a radical shift in mindset that would make owning a home feel like less of a necessity for more Canadians. An increased supply of purpose-built rental buildings and units—instead of a situation where the rental market and the condo market are one and the same—could help normalize renting as a viable long-term housing option.

"Purpose-built means that you basically introduce another element to the solution and you create a mentality in which you are 35 years old, you are married, you have two kids and you are renting? Nothing is wrong with you," CIBC's Tal says. "I think that's a mentality that we have to develop." ◆

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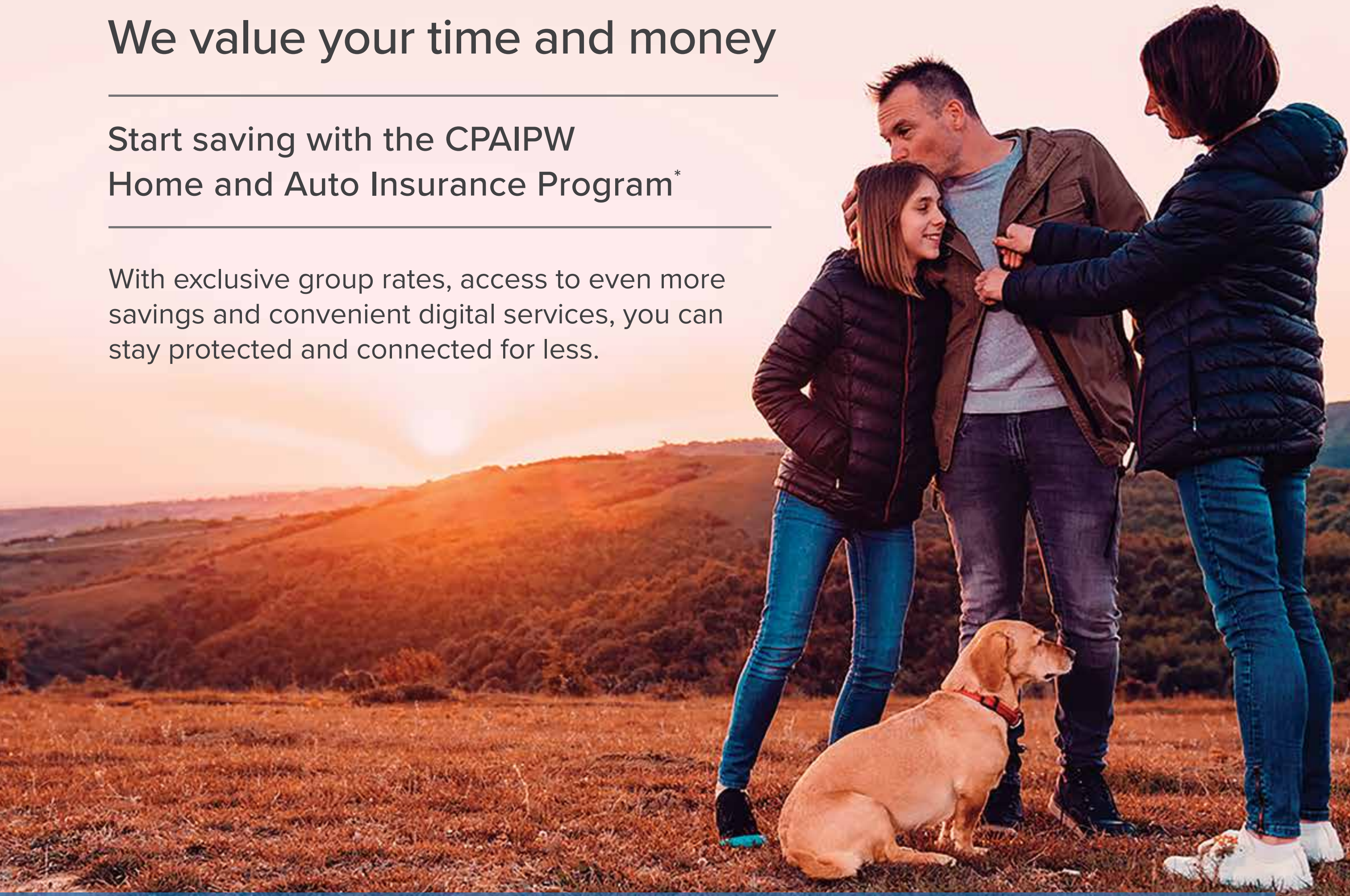

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Today’s CPAs are taking to social media in droves to build their brands and teach the Xs and Os of all things finance

The Social Life

By Ali Amad

From LinkedIn and Twitter to YouTube and now TikTok, a growing number of CPAs are taking to social media to promote their brands and educate the public—and they’re finding success doing so. Beyond marketing, some professionals are even spinning off their social media clout into career opportunities. Take Kelly Phillips Erb, a Philadelphia-based tax attorney better known by her social media alias, Taxgirl. “I’ve always been a tax geek so it was a natural step to share everything I knew about it on social media,” says Erb.

What started as a small tax blog has transformed into a 75,000-strong following across multiple platforms. That following led to writing gigs with Forbes and Bloomberg, where Erb penned a column that helped land her a team lead position with Bloomberg Tax. “There’s value in putting yourself out there,” she says. “Social media also allows you to help countless people with the information you’ve gained from your education and experience.”

We spoke with eight Canadian CPA influencers to discuss the power of social media and the changing face of marketing in the profession.

PHONE BY ISTOCK

Sam Cao

Senior associate and digital accelerator, PwC
Platform: TikTok
Handle: @canadiantaxenthusiast
Followers: 17,500
Location: Winnipeg

When I was studying for my CFE in 2019, I developed a passion for anything and everything to do with tax. I was also interested in building my own social media brand.

TikTok quickly became the platform everyone was talking about, so I decided to give it a try. In April 2021, I began posting videos with some general accounting advice. In those early days, my videos would only get about 10 views each. I kept posting regularly, but I struggled to come up with ideas for new content. The answer was staring me in the face: I spent most of my time working in tax and consuming news about it. So why not talk about tax? Conventional wisdom would say that most people find tax boring. But I thought, "It's my job to make tax interesting."

So, I started a video series called Canadian Tax Tips. In the videos, I offered simplified tips in under 60 seconds. TikTok is unique because it has powerful built-in features that allow you to edit your videos within the app. All you need is a phone. With other platforms like YouTube, you'd often need editing software. So, I was able to quickly put together my videos whenever I had spare time.

Another great part of TikTok is that videos can rapidly go viral on the platform. Some of my posts received more than 100,000 views virtually overnight. Since then, my following has slowly and steadily grown, which proves there's demand for engaging information about tax. If people can watch my videos and learn something that improves their lives, that's all the motivation I need to keep posting.

Andrew Wall

Managing partner, CPA4IT
Platform: Twitter
Handle: @WallCPA
Followers: 65,000
Location: Toronto

I'm a second-generation CPA. I got my start in accounting working with my father, George Wall, a fellow CPA, at his Toronto-based firm, Wall & Associates. In the early 2010s, I was introduced to cloud accounting and got excited by its potential to offer clients a more efficient and user-friendly experience.

My mentor, former Green Party of Canada leader Jim Harris, recommended I join Twitter to connect with others in the cloud accounting community. Coming from the world of politics, he highlighted the power of Twitter to amplify your message. So, in 2014, I created a Twitter account and started posting content about my insights on accounting and finance.

This might sound surprising, but what really got lots of engagement were my live tweets at accounting conferences. People loved getting frequent updates on the highlights of those events, from major announcements to analysis from featured speakers. Those live tweets helped me connect with countless other professionals in the finance world. I also realized it was a useful way to establish relationships with small businesses that might be interested in using cloud accounting. The following year, I launched my own virtual accounting firm, WallCPA, which offered a full range of cloud-based accounting services.

Since then, my Twitter account has exploded. Nowadays, I'll cover a conference and get nearly a million impressions from Twitter users in less than 72 hours. My Twitter has also been tremendously useful in creating engagement for my new venture, CPA4IT, which I started in 2019. Our mission is to help small business clients organize their finances, create wealth and transform that wealth into a legacy. When people see that you have 65,000 followers, it gives you instant credibility. It's a kind of social proof that you are a trusted authority in your field.

Ryan Lazanis

Founder, Future Firm
Platform: LinkedIn
Handle: N/A
Followers: 6,000
Location: Montreal

After becoming a CPA in 2011, I launched Xen Accounting, one of Canada's first fully online accounting firms. Today, I run Future Firm, which provides coaching and education to thousands of CPAs who want to fast-track their way to growing a modern, scalable and systematic accounting firm.

I first started using LinkedIn as a way to connect with potential clients and team members. When I started Future Firm, I began providing free content through a blog and podcast, as well as a weekly newsletter that goes out to more than 6,000 firm leaders. LinkedIn is a perfect extension of the kind of long-form educational style of content that my audience enjoys.

The general aim of my LinkedIn content is to give CPAs practical and actionable steps and frameworks to quickly build a modern firm. Coming up with the content is easy once you understand your market. All you need to do is listen to the questions people keep asking you, and then you just build content around those questions.

The reception has been great and it all comes down to my approach. Instead of using LinkedIn to sell, I use it as an opportunity to share content that's helpful for my audience. Because it's helpful, I get engagement with my content. It's not unusual for my best posts to generate more than 50,000 views. This in turn helps build awareness around myself and my brand, which is priceless.

Social media these days is far too narcissistic. Instead of talking about themselves, professionals should use a platform like LinkedIn to share their expertise to benefit others. LinkedIn is a fantastic platform for this because it's a network designed for professionals looking for career advancement or business growth. They need a ton of help getting there, which puts you in the perfect position to assist them.

Myriam-Karina Gad

Budgeting analyst at MTY Food Group
Platform: TikTok
Handle: @mimismoneymoves
Followers: 12,000
Location: Montreal

Soon after becoming a CPA in late 2020, I joined restaurant franchisor MTY Food Group. My role focuses on supporting various brands in bridging their strategic plan with financial aspects like budgeting and forecasting. As a budgeting expert, I've noticed there's a lot of bad advice out there on how to manage your money. On social media, countless financial coaches preach the gospel of frugality to the point of absurdity. I'd compare a budget to a diet. Restrictive diets that cut out your favourite foods never last because they're unsustainable. I believe the same goes for restrictive budgets that leave no room for things you enjoy.

That's why I decided to create a TikTok channel to promote a more accommodating and sustainable approach to personal finance. In February 2021, I posted my first video. Initially, I outlined basic budgeting strategies. Nowadays, I share my personal finance journey and all its ups and downs. Being open and vulnerable about my finances resonates with my followers, many of whom go through the same challenges I do. My TikTok experience has shown me that I love helping people manage their money, which is why I'm launching a personal finance consultancy in 2022.

PHOTOGRAPHY BY **ALICIA THWAITES (SAM CAO), RODOLPHE BEAULIEU (MIRIAM AND RYAN)**

Ashli Phippen

Martina Morton

Founders, Grow CPA
Platform: Instagram
Handle: @growcpa
Followers: 2,000
Location: Huntsville, Ontario

Martina: In 2007, I was four years into a mathematics degree at the University of Waterloo. But after attending a case competition hosted by CMA Ontario, I decided I wanted to get into the accounting profession. I became a CPA in 2014.

Ashli: I had a more conventional route into accounting. I graduated with a BComm in accounting from Carleton University in 2008, and got my CPA designation shortly afterwards.

Martina: Today, we run Grow CPA, a digital accounting firm that provides small-business clients with bookkeeping, accounting and tax services. We also offer financial coaching and educational resources aimed at equipping entrepreneurs with the knowledge they need to succeed in business today.

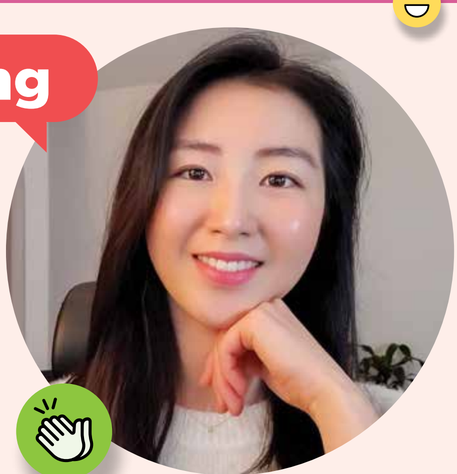
Ashli: We started creating content on Instagram as soon as we launched in 2019. Since we're a fully digital firm without a storefront, our online presence is a crucial way for us to express our brand identity and values. Social media is also where people are spending much of their time, so it's a good place to show up to make a big impact. Traditionally, people tend to not talk about money. We're flipping the script on that.

Martina: We create content geared toward small-business owners who want to understand the money side of their business better. Our content ideas come from conversations with business owners, our clients, as well as from our own experiences running a business. We love being able to support business owners in understanding and taking charge of their finances, one bite-sized piece of content at a time.

Ashli: Taking our marketing efforts online has allowed us to expand our reach. Because of our presence on social media, we also often get invited to speak on business podcasts and webinars.

Martina: We see social media as a place to learn from those in our network. In exchange, we provide tips and strategies to set people up for a brighter financial future. When they are ready to go deeper and learn more, we hope to have the solution to support them on that journey beyond social media.

Gabrielle Chung



Founder, Balance and Wealth CPA
Platform: YouTube
Handle: Ms. Balance Gabrielle Lee
Subscribers: 11,000

After graduating from the UBC Sauder School of Business in 2014, I landed a position at PwC and obtained my CPA designation in 2017. When the pandemic hit, I started working from home. Since we were all in lockdown, I had lots of spare time on my hands. I was a big fan of YouTube and had always toyed with the idea of starting my own channel.

I'd noticed there was limited information on YouTube about the ins and outs of a career in tax or accounting, so I decided to create content to share my journey and help guide aspiring CPAs. In April 2020, I started posting videos roughly once a week. In the beginning, I'd get less than 200 views per video. This was a bit demoralizing, but the videos got plenty of engagement, with lots of questions in the comments. That kept me going. I began posting more videos about personal finance and, today, I cover a wide range of finance-related subjects, from budgeting, saving and investing to tax tips and more.

What started out as a hobby has turned into a full-time job. After seven years with PwC, in February I launched my own company, Balance and Wealth CPA, which focuses on online, e-commerce and crypto-related businesses—all inspired by my YouTube channel. People might be surprised by how much work goes into making a high-quality YouTube video. I'll spend hours researching, scripting, filming and editing each of my videos. I find it so rewarding when people enjoy my content and find value in it. I've always seen financial literacy as an important skill every single person should have, but not everyone has had the same opportunities to acquire that skill. Hopefully, my videos help even the playing field. Another critical lesson I impart in my videos is the importance of work/life balance. Hence my YouTuber name, Ms. Balance!

Bassem Zahili

Senior manager, NorthWest Healthcare Properties REIT
Platform: **YouTube**
Handle: **Bassem - Canadian Finance, Investing & Real Estate**
Subscribers: **11,000**
Location: **Toronto**

After articling at Crowe Soberman, I became a CPA in 2014. Today, I'm a manager for a health-care real estate investment trust. I do a little bit of everything in the company, from financial reporting to corporate accounting and tax. I've also been a part-time realtor and real estate investor since 2011. In 2019, I was itching to add another side gig: YouTuber.

The idea for my channel came to me when I noticed that all my friends who didn't work in finance lacked a good understanding of things like mortgages, tax or investing. Subjects like personal finance or stock market investing are incredibly important, but often are not included in school curricula. When they graduate high school, the typical Canadian is old enough to get a credit card but no one's taught them how to manage their credit. I wanted to address those knowledge gaps by creating a channel to help Canadians understand the basics of personal finance and investing.

In early 2020, I filmed and edited 18 videos and started posting one of them each week. Those videos were basic primers explaining things like how to open a bank account and what an RRSP or TFSA is. I may not have been as creative as other YouTubers in my presentation but, as the joke goes, creative accountants go to jail. The response was phenomenal—the videos received many comments asking for more information, which inspired me to create new content.

Initially, I thought no one would watch a 20-minute video of me talking about tax or live-streaming myself doing some day trading. But my channel has gotten nearly 600,000 total views in less than two years. Many people appreciate the depth of knowledge you can gain from long-form videos that you simply can't get from a tweet or a 30-second TikTok video.

It still amazes me that so many people are interested in what I have to say. Hopefully, they can learn from my investing journey and embark on their own.

PHOTOGRAPH BY ERIN LEYDON

Class reunion

In May 2021, *Pivot* profiled up-and-coming CPAs as they entered the workforce. Here's where their careers have gone since:

Nicole Hosler, Edmonton

Previous role: Senior accountant, KPMG
Current role: Manager in audit & data analytics, KPMG

In my new managerial role, I work with local and regional audit teams to implement technology-based routines on their audit engagements. I also recently became a geographic innovation leader for the western region, where I work with other leaders throughout KPMG to advance our digital agenda by streamlining data extraction.

Carter Wilson, Vancouver

Previous role: Senior associate, MNP
Current role: Manager, *ease*, Indigenous services, MNP

I am still working with my team to grow our *ease* Indigenous program to better serve our clients. Lately, I've also been leading projects for many exciting startup Indigenous organizations. This ranges from developing new financial processes to training individuals on usage of the new systems, all with the common goal of creating a strong financial management function and empowering those organizations to better carry out their vision.

Murjanat Dambatta, Toronto

Previous role: Senior financial analyst, Fire & Flower
Current title: Senior financial analyst, external financial reporting, Oliver & Bonacini

I joined Oliver & Bonacini, a Toronto-based hospitality company that owns and operates several fine dining restaurants. I'm still in financial reporting and loving it. Working at O&B has allowed me to really hone in on the intricacies of lease accounting under IFRS 16. O&B is currently expanding, so I'm working on several new projects across Canada.

Joshua Faier, Montreal

Previous role: Director of finance, Sprout Therapy
Current title: Head of finance and staking operations, Figment Inc.

I followed my passion for the blockchain and cryptocurrency space by joining Figment, a company focused on helping build Web3, a new decentralized iteration of the internet. Since joining, I've worn many hats, including preparing our annual forecasts and coordinating our network launch process. ◆

BY **LIZA AGRBA**

BREAKING BREAD

Food banks across Canada have never been busier, and new client numbers are surging—all signs of economic unrest on the heels of the pandemic

PHOTOGRAPHS BY
CHRIS BOLIN (CALGARY)
VANESSA HEINS (TORONTO)

"I think I have the best job in Canada," says Gretchen Daniels, CPA and CFO of the Daily Bread Food Bank in Toronto. "It's everything that's great about finance and accounting—it's interesting and engaging, but you're also dealing with something that really matters."

Daniels' enthusiasm is palpable and it's especially remarkable given that she was offered a job at Daily Bread just before the pandemic began in 2020. It's turned out to be the most demanding time on record for the food bank and many others across the country.

"We had 1.45 million visits to Toronto food banks this past year, which is the highest ever recorded in a 12-month period in the city. That's a 47 per cent increase compared to the year prior and 1.5 times higher than the record set in 2010, which was the peak of impact for the 2008 recession," she says.

And it's not just an overall increase—a major indicator of economic unrest is a marked increase in new clients at food banks. This year at Daily Bread, for the first time ever, the number of new clients outnumbered existing ones.

COVID-19 has exacerbated food insecurity in Canada and, while it may be its newest contributing factor, it's far from the only one. Before the pandemic hit, a 2019 report from Food Banks Canada was already sounding the alarm. It pointed to rising food and other living costs, an increasingly unaffordable housing market in both urban and rural centres, and low and stagnant incomes.

In the meantime, the cost of food in Canada is expected to rise between five and seven per cent this year compared to 2021—that's the largest increase ever predicted by Canada's Food Price Report. Significant factors contributing to the unprecedented jump, according to the report, are pandemic-related supply chain issues, severe weather events like droughts and wildfires brought on by climate change, high inflation, transportation issues related to high oil prices and labour challenges in the food industry.

The report stressed that while some have been quick to blame the Canada Emergency Response Benefit (CERB) and other government supports for labour shortages that contribute to higher prices, the reality is much more complex. For one thing, the pandemic spurred many food industry workers—from restaurant workers to those along the supply chain—to find jobs in more stable or better-paying sectors. In large part, according to the report, the industry's difficulty retaining workers—which predates the pandemic and its related income supports—comes down to low wages and few or non-existent benefits, physically demanding work and, now, a high risk of exposure to COVID-19.

Food Banks Canada highlighted that CERB and other income supports led to a marked decline in the use of food supports; in March to June 2020, 53 per cent of food banks reported decreased use and 90 per cent cited government support as the primary reason. Of course, those supports have since dried up, leaving Canadians with the standard social assistance programs: general and disability-related welfare. Neither program has kept up with inflation, let alone food inflation and, in 2019, average annual welfare was more than $13,000 below the poverty line.

$1.9

Million spent by Daily Bread pre-pandemic, projected to increase by 200 per cent in 2022

5-7

Per cent increase in projected food costs this year compared to 2021

Farhana Janmohamed, treasurer of the Calgary Food Bank

Gretchen Daniels, CFO of the Daily Bread Food Bank

"The average real dollar value of the general welfare portion of provincial social assistance is about the same as it was 30 years ago," Food Banks Canada's 2021 report notes. "People who receive the disability portion of provincial social assistance, however, have seen the real value of their income decline by nearly 10 per cent compared to 30 years ago. And, while social assistance rates have declined in real dollars, food and housing costs have increased dramatically." Worryingly, given the jump in new clients reported by food banks like Daily Bread, it seems that even Canadians who haven't previously relied on social assistance are starting to feel the crunch.

1.45

Million visits to Toronto food banks last year

Food Banks Canada recently released a set of policy recommendations, including increased support for low-income renters, low-wage and unemployed workers and, perhaps most ambitiously, paving a path toward a minimum income—known elsewhere as a universal basic income.

"Many food banks in Canada fear they will not be able to accommodate a tidal wave of new clients created by the pandemic while maintaining their level of support for long-term need created by decades of social policy neglect," the recommendations stated.

A few provinces over from Daily Bread, the situation is no better. Farhana Janmohamed, CPA and treasurer at the Calgary Food Bank, says her organization has also seen significant increases in demand; between 2019 and 2020, the number of hampers distributed per day nearly doubled. The bank extended daily service by four hours and added an extra day of distribution. "We're also seeing more new clients and repeat demand, which is an indicator the economic conditions causing people to get hampers are persisting," says Janmohamed.

47

Per cent increase in Toronto food bank visits year over year

This may all sound dire but, incredibly, Daily Bread expects the situation to worsen. That's because the full impact of economic crises doesn't hit right away; before people turn to food banks, they typically first burn through their cash reserves. Pre-pandemic, Daily Bread spent around $1.9 million purchasing food; this coming year, Daniels expects that number to increase by 200 per cent in the fiscal year. In Calgary, Janmohamed says that while the CERB led to a dip in demand, the food bank is now seeing demand higher than pre-CERB levels.

Bracing for impact, Daniels created a pandemic fund designed to help maintain service levels amid continued hard times. Janmohamed said that there's been an increase in cash donations, which is somewhat helpful, since they're more efficient—but, with in-person campaign events either on hold or significantly constrained, rallying support is harder than ever before.

"The pandemic has challenged us in ways that we never expected," says Daniels. "But the biggest challenge is how to plan for the peak we know is coming." ◆

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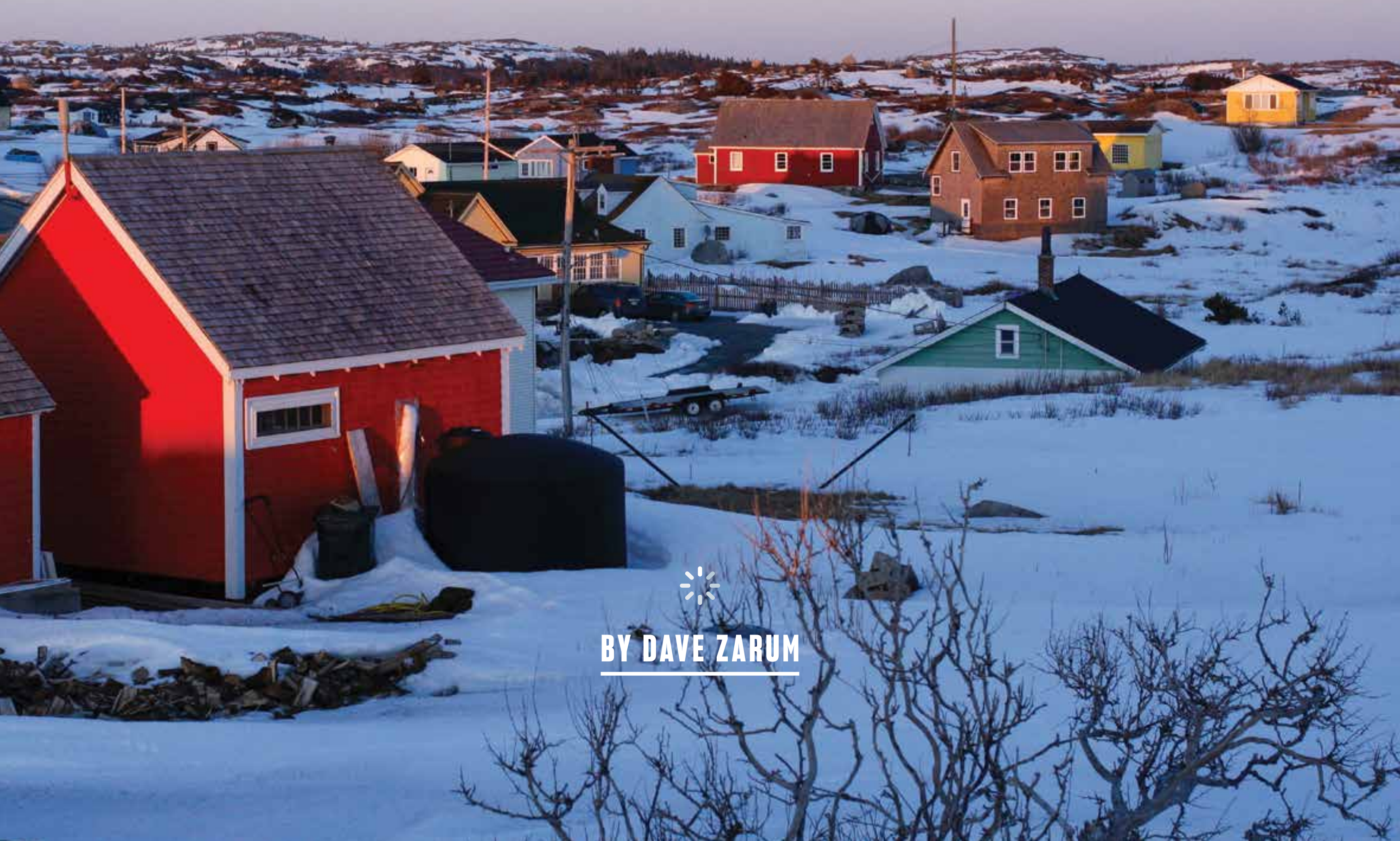
DIGITAL

DIVIDE

Narrowing the gap between urban and rural communities became the goal of billions in public and private investment. Now, rural internet could hold the key to Canada's economic future.



BY DAVE ZARUM

"Can you hear me?" Brenna Minish-Kichuk asks, staring patiently at the frozen, heavily pixelated image on her computer screen.

Minish-Kichuk, a CPA, is on a year-end-review virtual call with a client from a First Nations reserve about 115 kilometres from her office in Swan River, Manitoba. They're attempting to go over paperwork across a satellite internet connection that has been reliably unreliable. Minish-Kichuk is one of three partners working out of MNP's offices in Swan River, which is five hours northwest of Winnipeg near the Saskatchewan border. A town of 3,800 that services a rural community of 10,000, its primary industry is agriculture, with many farms and First Nations reserves dotting the sprawling landscape.

Being a small-town accountant can be a rewarding experience, and Minish-Kichuk's diverse client base means she's able to serve a broad set of accounting needs. "Kind of like a family doctor," she says. "Being a rural office, we try very hard to create a culture where clients could just pop in and ask questions and chat. So you'd have multiple face-to-face meetings throughout the year. That was the norm."

The pandemic, of course, changed all that. Minish-Kichuk is in the now-familiar situation of navigating a virtual world. And so she waits. Waits for her client to see the paperwork she's posted. Waits during the long delay between question and answer, wondering if the connection has been lost. "We got through it but, just, yeah..." she sighs. "It wasn't ideal."

Like the majority of Canada's rural and remote areas, reliable high-speed internet has always been a problem in Swan River. Two years ago, local provider Westman installed some fibre optic cables that run through the town, linking to a fixed network and a faster, more dependable connection, but that hasn't helped people in the surrounding region who remain without access.

In December 2016, six months after the UN General Assembly declared internet access a basic human right, the Canadian Radio-television and Telecommunications Commission (CRTC) declared broadband internet a basic service in Canada. Recognizing its importance, the federal government promised to connect 98 per cent of Canadians to high-speed internet by 2026, and 100 per cent by 2030—"high speed" is defined as minimum upload speeds of 50 Mbps (megabits per second) and download speeds of 10 Mbps.

According to the CRTC, today, 87.4 per cent of Canadians have access to high-speed internet. For those living in urban communities, the number is 98.6 per cent. Compare that to just 45.6 per cent in rural regions, and 34.8 per cent of households in First Nations reserves.

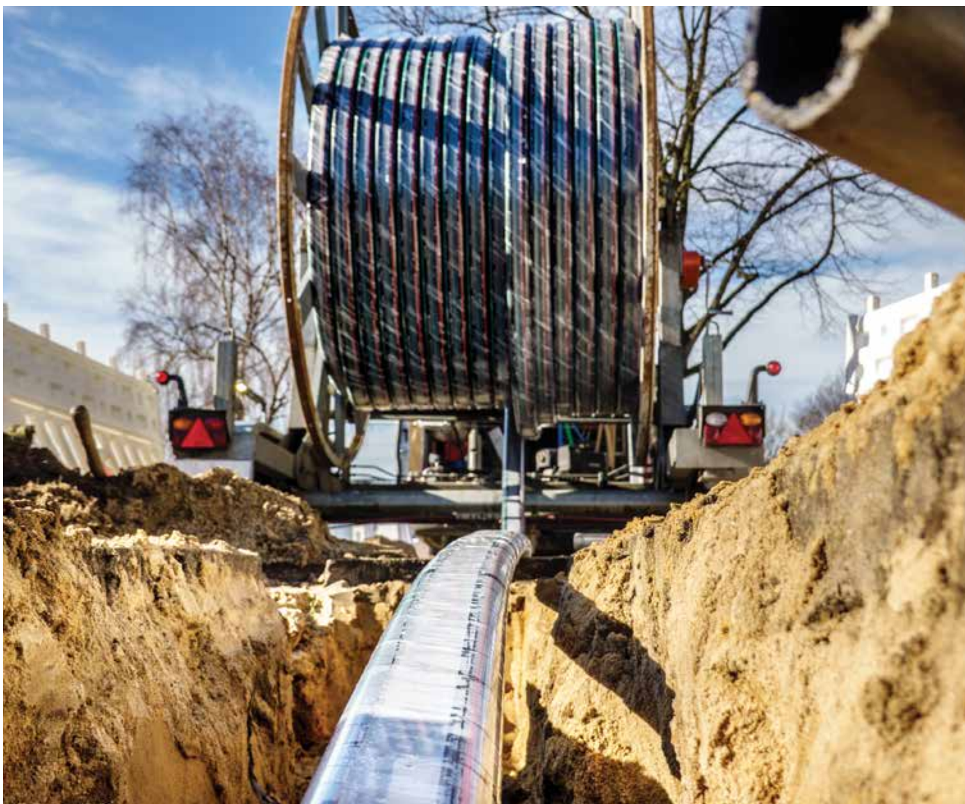
The rural-urban divide has always existed. But now it's become a digital divide, separating those Canadians with reliable internet access and the millions still without.

"The take-home lesson is that the status quo is not working," says Helen Hambly, professor and project leader for the University of Guelph's Regional and Rural Broadband Project, which monitors and analyzes everything from major infrastructure work carried out by Canada's telecom giants to publicly funded projects from Canada's many locally focused "mom and pop shop" internet service providers (ISPs).

Today's broadband networks have become fundamental to an evolving global economy. Innovations like cloud technology are changing the way entire sectors work, while "Industry 4.0" is built on the back of fifth-generation (5G) network connectivity. Canadians have come to depend on high-speed broadband for essential services and as a means of communication. Its absence creates socioeconomic disparities and leaves entire industries buffering.

It's why narrowing the digital divide has recently become the focus of billions of dollars in public spending through several provincial and federal programs. As Hambly puts it: "Broadband and telecommunications are not sectors of the economy anymore. They *are* the economy."

Underground fibre optic cables deliver fast and reliable internet but can be more difficult to install in remote regions



“Broadband is a uniquely regional issue. What works in Alberta will not work in Nova Scotia.”

PHOTOGRAPHS: FIBRE OPTICS BY **ISTOCK**; LINEMEN BY **TAMAANI**; NAVDEEP BY **THE CANADIAN PRESS/SEAN KILPATRICK**
OPENING SPREAD: TORONTO BY **VENRICK AZCUETA**; HOUSES BY **LAURA BILGER**

THE NORTHERN SHIELD

“Connectivity is more important than ever,” says CPA John Simcoe, entertainment, media and communications (EMC) audit and assurance leader at PwC. “The pandemic has forced Canadians—and really anybody in the world—to function with greater digital capacities.” A PwC study found that, during the first lockdown in March 2020, internet usage rose 48 per cent across the country compared to the same period the previous year.

And it’s not just YouTube and Facebook drawing Canadians online. In a 2021 poll conducted by the Canadian Internet Registration Authority, respondents were asked what type of organization they communicate with most online and 68 per cent said banks—the most popular choice, followed by government. Meanwhile, 28 per cent of Canadians consulted a doctor virtually in 2021 compared to 17 per cent the previous year.

The more we rely on an internet connection to function, the greater the need for reliable and affordable connectivity across most of the country. That, of course, is easier said than done.

“Broadband is a uniquely regional issue,” notes Hambly. “What works in southern Ontario does not work in northern Ontario; what works in Alberta will not work in Nova Scotia.”

The Canadian telecom landscape is dominated by the “Big Three” (Rogers, Telus, Bell), yet other smaller providers have found a gap in the underserved rural and remote markets, like the First Nations owned and operated Kuh-Ke-Nah Network (a.k.a. K-Net) in Sioux Lookout, Ontario, which began operation in 1994 as a bulletin board system connecting high school students from nearby villages via text. Today, K-Net delivers internet to over 100 Ontario First Nations. “Community owned and operated telecoms are great because the money they earn gets reinvested in the network, plus they train locals to maintain the equipment,” Hambly says. “It’s a totally different model, but one that really works.”

The federal government has pledged to connect 98 per cent of Canadians to high-speed internet by 2026

K-Net is one of more than 250 ISPs across Canada serving 400,000 customers in rural communities. “Many smaller companies have been very competitive and offer a very decent quality of service and sometimes even lay fibre cable lines,” says Hambly, “but it tends to be very localized.”

Installing these lines is a major—and costly—undertaking. “One of the foundational issues, frankly, is that the cost of building our networks is more expensive than other territories,” says Simcoe. Canada’s varied geography is a major obstacle, with stubborn Precambrian rock to be dug up or towers erected to carry lines across rough terrain that endures four distinct seasons—including a harsh winter.

Because of the logistical roadblocks of installing fixed-wireless lines, satellite internet access is the most common type of network in rural and remote regions of Canada. But, the more users linked to satellite in a particular area, the more signal strength weakens, making it a poor choice in cities where, to date, most major infrastructure upgrades have been concentrated. 5G networks, by comparison, can handle one million devices in a one-kilometre radius with virtually no lag. But, in remote places where construction is difficult, satellite is one of few options. Last August, the federal government invested $1.44 billion in Canadian company Telesat to develop its high-speed satellite technology, while other early-gen satellite companies like Xplornet marketed themselves as solutions for those living in rural areas.

In 2021, Starlink, a satellite broadband company owned by Elon Musk, appeared on the scene in Canada. Starlink is key to Musk's goal to connect the entire planet to high-speed, low-latency internet and it's making inroads.

"There's been a lot of buzz about Starlink," says Brenna Minish-Kichuk, adding that several locals signed up months before it became available. However, Starlink's services come with an additional startup cost of more than $700 on top of the roughly $75 to $120 per month Swan River locals already shell out for internet, making it unaffordable for many non-business users.

The University of Guelph's Hambly says early results have been mixed and it will be another two years until there is enough data to show if Starlink can offer the reliable connection it promises. Until then, she says, "We will have to wait and see."

PUBLIC FUNDING

"High-speed-internet connectivity becomes even more critical as Canada's economy evolves and embraces technologies of tomorrow," PwC's Simcoe says. "It is certainly not something that's lost on the government."

In November 2020, prompted by the pandemic, the federal government increased funding to the Innovation, Science and Economic Development Canada's Universal Broadband Fund by about 75 per cent to a total of $2.75 billion. Factor in the CRTC's separate but similarly named Broadband Fund (investing $750 million over the next five years) and various provincial funds, and there's been an influx of investment made to further help close the digital gap.

"[Public subsidies] are what's changing the rural environment," Hambly says,

The implementation of 5G networks can help Industry 4.0 reach its potential in Canada

where the ISPs that serve local communities are receiving funding needed to carry out large-scale infrastructure upgrades.

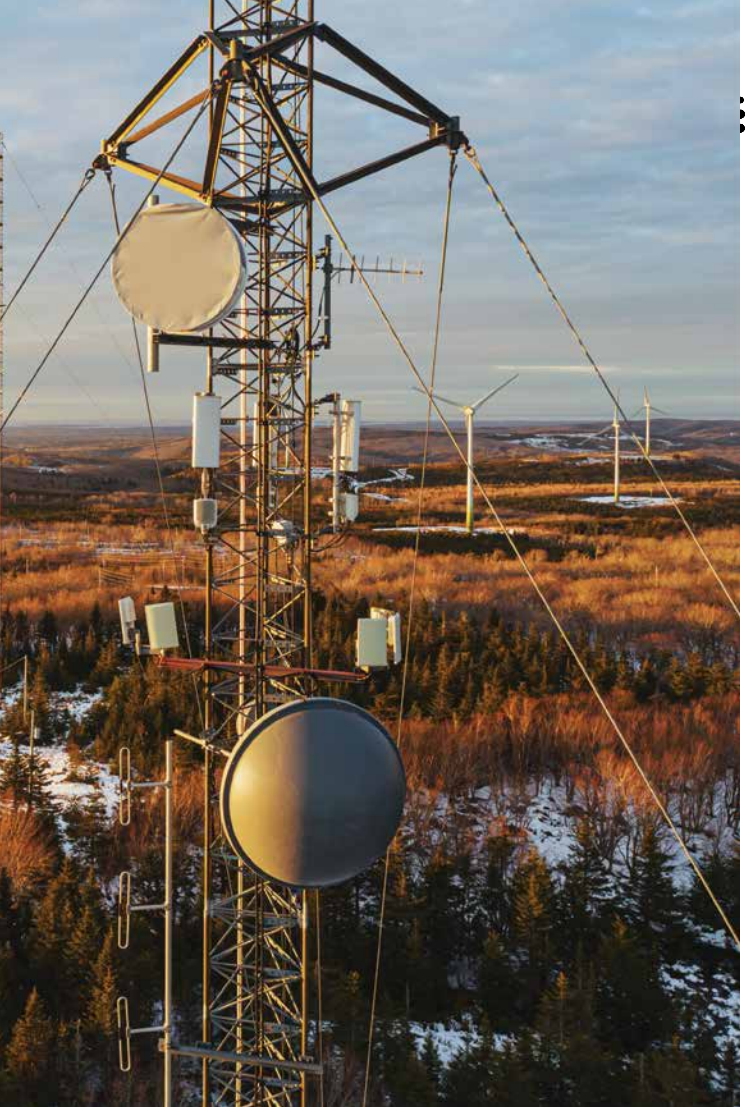
For example, in Nunavik, the massive region in northern Quebec, the local Kativik Regional Government and the region's primary internet provider, Tamaani, wanted to install fibre optic cable for years to serve its largely Inuit population.

Last March, Tamaani was awarded $53 million through the CRTC's Broadband Fund to expand construction of an underwater fibre-optic cable project connecting several communities from Chisasibi on James Bay, 530 kilometres north to Puvirnituq. Beyond providing a faster and more dependable service, the underwater cables will also lessen the burden across the rest of Nunavik's satellite network, which had reached capacity in 2020 at the height of the pandemic.

"All the communities' bandwidth is currently satellite-fed, and the constraints of this became really apparent during the pandemic, when a lot of schooling and health care went virtual," says Sarah Rogers, a business reporter who has covered the telecom industry for the local *Nunatsiaq News*. "Some communities saw internet outages for weeks at a time."

"We are reminded daily of the unfortunate reality and challenges faced by Canadians in underserved communities," says CRTC CEO and chairperson Ian Scott. "Closing the digital divide to enable all Canadians to participate fully in the digital economy is of paramount importance."

PHOTOGRAPH BY ISTOCK



During the pandemic, when a lot of schooling and health care went virtual, communities saw outages for weeks at a time

INDUSTRY 4.0

There's an industrial revolution underway and it requires a high-speed connection to take part.

The emergence of "Industry 4.0"—the fourth industrial revolution, which relies on network connectivity across multiple sectors—has created a new sense of urgency surrounding Canada's digital divide. While the country's public and private sectors work to bring the nation up to its high-speed minimum standards, the industrial world is blazing ahead digitally.

"[Industry 4.0] is about becoming part of a larger connected ecosystem that will drive productivity, efficiency and flexibility across the economy," says Simcoe. "Rural connectivity will be an important factor in its adoption and for key sectors, like agriculture, energy and mining, oil and gas—primarily located in rural areas—to advance." Mining companies, for example, will require integrated networks of reliable data and broadband to utilize tools that monitor and service equipment. Modern solar grids, wind turbine farms and other renewable energy resources depend on cloud-based tools to function, while the emergence of Agtech is helping Canada's farmlands increase productivity.

Because of its advanced speeds, the rollout of faster, more robust 5G networks is a key factor in all of this. Telus, which two years ago launched a new business unit, Telus Agriculture, announced last May a new plan to invest $54 billion to expand its 5G networks, extending 5G to 529 new urban and rural communities by the end of 2021. The company estimates that deployment will create 40,000 jobs over the next four years and bring $150 billion to the Canadian economy over the next twenty.

Last year, the federal government announced several 5G investments, including a $400-million joint project with the Ontario and Quebec governments. Simcoe says that developing infrastructure is vital to allow these powerful networks to reach Canada's remote and rural communities.

The digital divide is hardly new, but factors like Industry 4.0, along with a small but notable population shift from cities to more affordable surrounding areas, are pushing the issue to the top of the national agenda.

In the meantime, Minish-Kichuk and the folks around Swan River aren't exactly holding their breath waiting for their situation to change. "I am not surprised it has taken this long," she says, adding that many of her clients have become resigned to their inconsistent, buffer-heavy connections. "Unfortunately we have accepted that as reality."

Yet the digital divide will only become more apparent as our economy moves forward and will require all hands on deck. "It's really imperative that in approaching these issues of gaps in connectivity that all stakeholders are taken into consideration. Canada's networks were a key enabler of the resilience in the economy through COVID-19," Simcoe says. "That momentum needs to continue." ◆

Visit **cpacanada.ca/broadband** to read why improving high-speed internet access is good for the profession

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* The Year 3 Project is a cumulative assignment that requires students to tie together the concepts and skills they have learned throughout the multi-year program.

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Toys like this Lego Star Wars model have found a captive market with adults

EXTRAORDINARY ITEM

MAKING A PLAY

A niche segment of the toy market is seeing serious growth, driven by "kidults" with time to spare and money to spend **BY SOLARINA HO**

Browse through Lego Canada's list of bestsellers and the most popular toy sets may surprise you.

There's the 2,048-piece "The *Friends* Apartments" set inspired by the television sitcom that ran from 1994 to 2004; a 11,695-piece "World Map"; and the Mos Eisley Cantina from Star Wars, all of which cost hundreds of dollars and are labelled for builders 18-plus.

In short, Lego is targeting grown-ups—with money to spend and a sense of nostalgia—looking for a creative outlet. And, so far, it's working.

Lego—and the toy industry at large—have had an extraordinary two years, helped in no small part by adults stuck at home, buying toys for their own enjoyment and collection. The Danish company reported revenue growth of 46 per cent and operating profit growth of 104 per cent in the first half of 2021.

"Lego, which has always had an adult fan base, embraced it by creating more and more sophisticated sets," says Richard Gottlieb, the CEO of Global Toy Experts, a toy industry consultancy. "There really is no line now that I can see between kids and adults who play with Lego."

"A lot of the things we like to do for fun as kids, we never really grow [out of]," says Sara Feldstein, a CPA who, during the pandemic, transitioned from working as a partner at an accounting firm to something completely different: toymaking.

PHOTOGRAPH COURTESY OF LEGO

The one where the cast of *Friends* become toys

"Adults still love building forts and all of that. We just lose opportunities to do it," says Feldstein, who was inspired to fill a void in the market and create "open-ended toys" that last, can be shared among siblings and also consider the parents in their design. The first product on the market from her company, Barumba Play, is a set of life-sized foam building blocks that can also be used as a guest bed or playroom sofa.

The concept of children's toys that appeal to adults, or toys geared toward adults, isn't new.

Whether it's Lego, adult colouring books, model cars, action figures, board games and puzzles, adults have been purchasing toys and games for themselves for decades. But industry experts say it has become an increasingly important and growing market segment.

"When the baby boomers rebelled against their parents' generation, one of the things they started doing was embracing play," Gottlieb notes.

Toys purchased for use by adults account for about 13 per cent of the dollar share annually and 20 per cent of all toys sold, according to industry analysts.

"It's a huge market," says Juli Lennett, toy industry adviser with market research firm the NPD Group. "If we look at ages 12-plus, it's a US$7.6-billion market. Who wouldn't go after that?"

Since COVID-19, overall toy sales in Canada climbed six per cent year-to-date by December 2021. That's on top of the 17 per cent year-to-date rise the previous year. Normally, Lennett notes, sales figures do not deviate from a rise or fall of more than three per cent year to year.

One factor Feldstein believes is at play is the screen-time overload families have experienced over the last two years, from endless Zoom meetings to all-day virtual classes.

"WHEN THE BABY BOOMERS REBELLED AGAINST THEIR PARENTS' GENERATION, THEY STARTED EMBRACING PLAY"

"[It] provides both children and adults opportunities to do things that are off the phone or the computer, like puzzles or classic board games like Monopoly," she says. "You can be a kid or an adult and you still love them."

For legacy toy brands, nostalgia is a significant part of their appeal. Numerous studies have shown that in difficult times, nostalgia can be a powerful antidote in battling feelings of loneliness and instability, and can bring more happiness.

Companies like Lego are happy to provide that nostalgic boost and have identified a market segment willing to spend $949.99 for a 6,785-piece version of the Star Wars "AT-AT" set. Lennett says one of the top-selling toys—in any category—during the holiday season was Lego's "The Mandalorian & the Child" building set, as parents and grandparents introduced the fictional intergalactic world that transfixed them in their youth to the next generation.

"I'm not surprised to see in the toy industry that a lot of these brands that are 30, 40, 50 years old… [are] growing at the rates that they're growing," she says. "It's really helping people to get out of this pandemic funk that we've been in." ◆

PHOTOGRAPH COURTESY OF LEGO

SUSTAINABILITY

REDUCE, REHEAT, RECYCLE

How an app devoted to reducing food waste is gaining a massive following by helping food-sellers avoid discarding product.

BY VANESSA MILNE

Canadians throw out a lot of food—35.5 million tonnes each year. And we are hardly unique in our wastefulness, contributing to a global issue with major implications for our planet's well-being. "Food waste accounts for 10 per cent of all greenhouse gas emissions," says Sam Kashani, country manager of the Canadian arm of the world's most popular anti-food waste app, Too Good To Go, which allows restaurants and grocery stores to sell off their surplus food for about one-third the retail value.

Globally, Too Good To Go has more than 48 million users and 128,000 retailers who participate. According to the company, to date it has salvaged more than 105 million meals and counting. Too Good To Go was founded in Denmark in 2015 and expanded into 17 countries before launching in Canada in July 2021—first in Toronto, followed by Vancouver and Montreal. Though the Canadian operation's details aren't public, Kashani says they have more than 1,000 stores participating and many restaurants came on board in late 2021. "The reception has been incredible," he says. "It's really growing week after week, and we're seeing true exponential growth."

For restaurants and consumers alike, it isn't difficult to see the appeal.

Christine Trinh, who runs a second-hand children's clothing store in Toronto, saw ads for Too Good To Go on social media and was attracted to the business model.

ILLUSTRATION BY LEEANDRA CIANCI

"CONSUMERS WANT TO BE ASSOCIATED WITH AND BUY FROM BRANDS THEY FEEL ARE ALIGNED WITH THEIR OWN SOCIAL VALUES"

"The main appeal is that the concept resonated with me; it's a business that is good for our planet, but also one that makes sense for the customer," she says. Trinh quickly became a regular, ordering through the app half a dozen times in her first month as a user. She says she likes the food, and the experience of using it. When placing an order, customers don't know what exactly they will receive. Participating eateries package their food as themed "surprise bags" that contain anything from pastries to produce or prepared foods like sandwiches or sushi. "You feel like you scored something [when you pick up your package]," she says.

Kashani says the app is a win-win-win proposition. "The consumer gets an incredible value—that same sandwich, pizza or groceries for a fraction of the cost. And the store wins, because they drive incremental traffic to their stores and they cover their food costs at a minimum. And there isn't another meal thrown out, which is an environmental win and fights climate change," he says. Of course, the business itself wins as well—it takes a cut of all transactions.

The app is a for-profit enterprise that funnels profits into expansion, with operations either underway or in the works in most major North American cities. It is also a certified B Corp, a for-profit company that prioritizes having a positive social and environmental impact.

Environmentally driven companies such as Too Good To Go are finding success partly because consumers support their missions, says Rosemary McGuire, CPA Canada's director of external reporting, research, guidance and support. "Consumers want to associate with and buy from brands that they feel are aligned with their own social values," says McGuire, who adds that, as an employer, it may be easier to be competitive if you're a company with a social mission. "Younger employees want to work for companies that espouse the same values that they do—purpose-driven organizations—and we're seeing, especially in the sustainability realm, a huge war for talent."

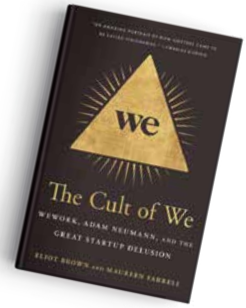
The business has waded into advocacy work too, pushing for change around how food is labelled (particularly when it comes to expiry dates) and working to promote the importance of food-waste reduction. The company has partnered with food banks like Daily Bread to promote the cause and plans to participate in educational programs at schools across the country.

McGuire says the frequency of climate change-related disasters, like the recent B.C. floods, has kept environmental issues top of mind, as have the residual effects of COVID-19. "There was recognition of the impacts of not commuting, the issues around treatment of workers and the broader focus on public health and safety," she says. "That just really accelerated the idea that we can't go back to the way we were doing things before." ◆

BOOK VALUE

THE RISE AND FALL OF WEWORK

Once praised as the future of the workspace, a lethal dose of greed and ego sent the infamous startup crashing to the ground **BY BRIAN BETHUNE**



It's hard to imagine a more target-rich environment for business writers than the extraordinary rise and fall of WeWork, the commercial real estate company that, in just a decade, went from humble origins to a US$40-billion valuation to a smoking ruin. The biggest bull's eye is on the back of the charismatic founder, Adam Neumann, who declared that someday, possibly after he became the world's first trillionaire, a Middle East peace treaty would be signed on a WeWork site.

In their book, *The Cult of We: WeWork, Adam Neumann, and the Great Startup Delusion*, writers Eliot Brown and Maureen Farrell paint an unflattering picture of Neumann and, to a scarcely lesser degree, his wife, Rebekah Paltrow (a cousin to actor Gwyneth), who are presented as the embodiments of F. Scott Fitzgerald's "careless people," *The Great Gatsby* characters who "smashed up things and creatures and then retreated back into their money . . . and let other people clean up the mess they had made."

PUBLIC PERCEPTION OF WEWORK'S FOUNDER TURNED FROM VISIONARY TO CARTOON MEME

But what makes their book such a standout—one of the finest business history titles of recent years—is that, in the hands of Brown and Farrell, the story of WeWork also provides an insightful look into what is portrayed as a fragile financial system far too prone to tunnel vision. In that sense, it can serve as an excellent primer on how the stock market (which flourished through the COVID-19 pandemic while unemployment soared) became divorced from the everyday economy. Yet, above all, the book offers a probing look at the Silicon Valley venture capitalist community's obsession with "the cult of the founder."

Neumann longed for wealth and fame long before he cared what business would bring it to him. First, he gave baby clothes a try but, by 2008, the then 29-year-old hit on a genuine niche to fill. There was demand already among startups for small and flexible workspaces, a demand that only grew during the financial crisis as suddenly out-of-work staffers turned to entrepreneurialism. With two buildings doing well in Brooklyn, N.Y., Neumann sought expansion immediately—and not just in New York but also San Francisco and potentially overseas.

He found investors willing to open some very deep pockets for WeWork, because Neumann fit the profile the self-described "unicorn hunters" sought: a quirky, driven visionary with a gift for salesmanship who would bring in billions for them all. The belief in founders with "near-messianic" attitudes—the quirks were a feature, not a bug, in their appeal—kept the investors from asking pointed questions while Neumann burned through as much money as he raised. Historically low interest rates meant that the only returns that mattered came via stock price increases, which in turn meant that rising valuations, seemingly pointing to an Apple-like future, were far more important than balance-sheet results.

The tunnel vision also kept the private equity funds from fully realizing WeWork was actually an old-economy office space provider and not a potential new-economy colossus like Apple. Combine that with some very quirky behaviour indeed—during one rented jet flight, Neumann, a devotee of lavish travel, and friends produced so much marijuana smoke that the flight crew had to don their oxygen masks—and the collapse was inevitable. And that was before Neumann met his investor soulmate.

Masayoshi Son, who ran Japan's SoftBank and promised WeWork a US$10-billion investment, also told Neumann that he wasn't crazy enough. As Brown and Farrell note in their understated way, that alarmed Neumann's associates. "Neumann was already the craziest person most of them knew," they wrote. Near the end of his run, after Neumann had invested heavily in the startup Life Biosciences (as he told his staff, death was just a technical issue that would be solved in time), his ego had "escaped gravity."


WeWork office space in Shanghai

PHOTOGRAPH BY GETTY

Neumann's excesses—of greed as well as behaviour—caught up with him in August 2019, when WeWork attempted an IPO once projected to bring in tens of billions. Investors reacted with hostility, driving the valuation down by more than 80 per cent, turning the public perception of its founder from visionary to cartoon meme—Adam Neumann costumes were seen in New York that Halloween. Soon, as if the scales had fallen from everyone's eyes at once, Neumann's bankers, board of directors and executives—seemingly forgetting how much they had enabled him—turned on WeWork's CEO and pressured him to resign.

Remarkable as the rise-and-fall story is, *The Cult of We* reaches its heights afterwards. There are signs, Brown and Farrell report, that the big-money investors are still on the lookout for the next disruptive visionary. And, unlike WeWork's overworked staffers, left with the worthless stock options, Neumann walked off with a $185-million please-go-away package. Egomania, it seems, can pay off. ◆

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PHOTOGRAPHS COURTESY OF **TIME OUT**

TRENDING

SUPERIOR COURTS

The businesses behind food halls—massive dining pavilions dominated by heavyweight chefs—hope going large will be the secret to recovery

BY CHRIS JOHNS

If your idea of a food court involves bolted-down chairs, a vintage Orange Julius and a combination Pizza Hut-Taco Bell, prepare for a big surprise. The modern food court—"food hall" is preferred now—is going gourmet.

Goodbye assembly-line burgers and hello hand-pressed tortillas stuffed with carefully prepared local ingredients; Indo-Nepalese dumplings; sushi from a Michelin-starred chef; and dry-hopped IPAs from local microbrewers.

Toronto's Chef's Hall became Canada's first such chef-driven marketplace—where small local eateries ply their trade under one roof—when it opened in December 2017, followed by the Annex Food Hall the following year. Vancouver is expecting its first food hall, a 26,000-square-foot operation at the Post—an ambitious redeveloped office block that will also become home to an Amazon office space—in 2023.

Not surprisingly, Montreal, arguably Canada's most food-obsessed city, has embraced food halls with verve. Between September 2019 and January 2020, three food halls opened in the city: Le Central, Time Out Market and Le Cathcart.

It is up to Montreal's food-savvy diners to determine which of the three provides the best food, atmosphere and value. But the 40,000-square-foot, 650-seat Time Out Market has already positioned itself as a force to be reckoned with—not only in Montreal, but around the world.

The market is an extension of the *Time Out* magazine brand. It started as a consumer magazine in London in 1968 and expanded to New York in 1995. Today, thanks to licensing agreements, the magazine is published in more than 300 cities across 59 countries. The publication's editorial and cultural assets were first applied to a brick-and-mortar venture with the opening of the first Time Out Market in Lisbon in 2014, taking over the Mercado da Ribeira, a traditional market hall opened in the late 19th century.

Lisbon's 32,000-square-foot market seats 900 guests and is serviced by 26 restaurants. To say that it has been a success is an understatement. In 2019, it attracted 4.1 million visitors (at least a quarter of them seemingly there on the afternoon I visited) and is now considered one of Lisbon's most popular attractions.

"There was a desire to physically manifest the amazing-ness of the Time

Montreal's 40,000-sq.-foot, 650-seat Time Out Market

Out media—the curation, all of that—into a place," explains Jay Coldren, COO of Time Out Market North. "In Lisbon, there was an amazing space, so it fit and it was such a good thing for the city. It was the perfect storm of the right place at the right time, and I think it made Time Out realize, 'Wow, I think there's something really here.' "

With Lisbon as the proof of concept, the company spent a couple of years assembling a team, then launched into a formal development phase. From there, growth was quick. In 2019, five new Time Out Markets opened in North America: Boston, Chicago, Miami, New York and Montreal.

Time Out receives a commission of the sales, and the restaurants sign one-year renewable contracts, allowing for flexibility on both sides.

At first, it seemed like Montreal would repeat Lisbon's success. "People were waiting for us to open and we were packed," explains Ruffier-Lanche. "I had to order more chairs and tables after three months of opening. But then we had the pandemic."

One by one, the Time Out Markets shut their doors and the impact was felt across the organization. Results for the 18 months ending June 30, 2021, reveal that gross revenue declined to $76.6 million, down from $131.5 million in 2019, and net revenue dropped to $64.5 million from 2019's $108 million, mostly as a result of the forced closures. (What profits remained came from a pivot to online and the launch of *Time In*, a pandemic-driven digital version of the magazine.)

"Fortunately, we were able to maintain the majority of our management team from all of our markets," says Coldren. "For a six- or eight-month period before the shutdown, we were able to get some really great data about the markets' viability, so we know coming back where we are as a percentage of 2019.

FOR TENANT CHEFS, ONE OF THE DRAWS IS THE FOOD HALLS' TURNKEY BUSINESS MODEL

Situated in the city's Centre Eaton, the Time Out Montreal market is serviced by 16 eateries from such notable restaurateurs as Normand Laprise, Paul Toussaint and Carlos Ferreira.

For its tenant chefs, one of the draws is the turnkey business model. "We are providing everything related to capital," explains Time Out Montreal's general manager, Laurent Ruffier-Lanche. "We take care of all the kitchen equipment, the management, we are providing all the utilities: gas, electricity, licences. The only thing the restaurant has to bring is the expertise to do the menu and the staff to execute it."

And in New York, for example, I think we were in the 95th percentile as far as coming close to hitting those pre-COVID numbers."

As the pandemic wears on, the food hall model may be put on pause once more. But, in the long run, for an industry that has been gutted by COVID-19, the halls look to be a bright spot in an otherwise fairly grim picture. At the very least, giving diners a choice between something more than deep-fried junk food and pan-fried junk food is a step in the right culinary direction. ◆

PHOTOGRAPH COURTESY OF **NO SUCH THING AS A FISH**

***PIVOT* RECOMMENDS**

Off the clock

BY DAVE ZARUM

Watch

Survivor, the reality show that has outplayed, outwitted and outlasted them all, returns for its *42nd season* in March. Initially slated to air last year, the pandemic delayed production as the cast and crew were unable to travel to *Survivor*'s dedicated location at Mamanuca Islands, Fiji. Because the season was filmed under a condensed schedule—26 days (including a two-week quarantine) instead of the usual 39—the action promises to be even more fast-paced than usual.
March 9, 8 p.m. ET, CBS

Listen

No Such Thing as a Fish is the podcast where it's always trivia night. Started by four researchers for the long-running BBC trivia game show *QI,* the podcast has become an entertaining dumping ground for the countless interesting factoids that didn't make it onto the television program. Each episode, one of the four co-hosts introduces their favourite cutting-room-floor trivia to the group and hilarity ensues.

Read

From his humble Brooklyn, N.Y., upbringing as Melvin Kaminsky, to his service during the Second World War and, of course, a career in Hollywood that most could only dream of, comedy icon Mel Brooks tells the whole tale in his new memoir, ***All About Me!*** Whether it's writing on Sid Caesar's *Your Show of Shows*, scripting, starring in and directing iconic films like *The Producers*, *Blazing Saddles* and *Young Frankenstein*, producing *The Elephant Man* and so much more, when Brooks shares his story, it doesn't take long to find out why "it's good to be the king."

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TOP SHELF

Since 2008, CPA Christian Gaudet, 35, has run a youth ball hockey league in Moncton, N.B., that teaches leadership skills and the importance of teamwork **BY ALI AMAD**

PHOTOGRAPH BY **CURTIS COMEAU**

"I grew up in Memramcook, New Brunswick. **Ever since my first skate when I was five years old, I dreamt of playing in the NHL.** My dad maintained an outdoor rink on our property and I'd skate until I couldn't feel my cheeks anymore."

"When I was 19, I captained my local major junior hockey team, the Moncton Wildcats, to their first-ever championship. **Lifting the trophy in front of my family and friends is a memory I'll always cherish.**"

"In 2008, I wanted to give back to my community so I started a youth ball hockey league in Moncton. **All hockey players get nicknames and mine was Goody** since my last name is Gaudet. So I called my league Goody's Ball Hockey."

"I never got drafted to the NHL, but **I played as a pro in minor leagues for three years until I decided to study accounting** at the University of Moncton. After graduating, I worked at Grant Thornton and MNP."

"Sport teaches the importance of working hard to achieve your goals. That's why **I'm a firm believer that every kid should have the opportunity to play sports.** To help more kids access recreational activities, Goody's has raised more than $10,000 for PRO Kids, a youth sports charity."

"**Playing sports my entire life helped me develop leadership and people skills that have served me well in my accounting career.** At Goody's, I emphasize those life skills with all the kids I coach and mentor."

"I'm currently an assurance manager at GGFL in Ottawa. During summers, GGFL allows me to work remotely from Moncton so I can keep running Goody's. Nearly 500 kids play each year, and **it's a good feeling to know our team has a positive influence in their lives.**"

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